Ontario

Select Committee on Health

Interim Report

Third Session, Thirty-Third Parliament
36 Elizabeth II

Ontario

LEGISLATIVE ASSEMBLY
ASSEMBLÉE LÉGISLATIVE

The Honourable Hugh Edighoffer, M.P.P.,
Speaker of the Legislative Assembly.

Sir,

Your Select Committee on Health has the honour to present the Report required by its Order of Reference and commends it to the House.

Robert V. Callahan
Chairman

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ON HEALTH

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ACKNOWLEDGEMENTS

The Select Committee on Health wishes to thank the Ministry of Health and the Ministry of Community and Social Services for briefing the Committee and for providing primary data on the delivery of health and social services in Ontario.

The Committee also wishes to thank its consultants: the firm Research Innovations for data collection and analysis, and Greg Stoddart and Roberta Labelle of McMaster University, for assistance with overall research design and for their invaluable advice and expertise.

Finally, the Committee wishes to thank its staff. The Committee's proceedings were efficiently administered by its Clerk, Deborah Deller. Cathy Fooks of the Legislative Research Service acted as research liaison, provided research material and assisted with the drafting of the Interim Report.

INTRODUCTION

In July of 1986 the Legislature of Ontario authorized the Select Committee on Health to examine issues related to the role of the commercial, for-profit sector in health and social services. The Committee's mandate was to recommend what role the commercial, for-profit sector should play in the provision of services in Ontario.

The Committee met in August of 1986 and was briefed by the Ministry of Health and the Ministry of Community and Social Services. Subsequently, after interviewing a number of interested parties, the Committee hired Greg Stoddart and Roberta Labelle of McMaster University to act as consultants throughout its mandate.

The Committee met with its consultants in September of 1986 to discuss its research plans. The Committee decided an essential first step in its inquiry would be to determine the extent of for-profit activity in health and social services in Ontario. It was felt that this would best be done by compiling an inventory of service delivery by program area, describing what health and social services are delivered in Ontario, how they are delivered and, wherever possible, how delivery has changed over time.

The Committee then hired the firm Research Innovations to contact private sector operators and organizations and to collect data on private sector activity.

In January of 1987 the Committee met to hear presentations from its research staff and Research Innovations in order to examine the extent of commercialization in Ontario, to decide those areas it wished to focus on for public hearings and to discuss the next phase of its inquiry.

After lengthy deliberations the Committee has decided to focus its first set of public hearings on two areas: child care and the contracting out of hospital management to the private-for-profit sector. A second set of public hearings at a later date will concentrate on long term care for the elderly, including nursing homes, homes for the aged, homemaking and home nursing services, and chronic care facilities.

Although the public hearings will focus on specific areas of service, the second phase of the Committee's research activity will involve a review of issues related to commercial, for-profit activity in health and social services.

This Interim Report is intended to present information collected to date on the extent of for-profit activity in health and social services in Ontario and to indicate the planned activities of the Committee until completion of its mandate.

The report has five sections:

1) Introduction - this section explains the Committee's mandate and the process through which the Committee organized its activities. It also defines the terms used in the interim report, explains the services and programs included in the report, discusses data collection and data sources, and explains how programs have been classified.

2) Overview of the Extent of For-Profit Activity in Health and Social Services in Ontario - this section is intended to provide a "snapshot" of the for-profit sector in health and social services in Ontario. Both current and historical data are presented where possible.

3) Program Information by Extent of For-Profit Activity: Health
and
4) Program Information by Extent of For-Profit Activity: Community and Social Services

Sections 3 and 4 contain information on programs delivered by both Ministries. Wherever possible, the following standardized categories have been used to describe and classify programs: Ministry Division; Legislation; Clientele; Program Description; Number of Facilities or Number of Providers; Methods of Approval and/or Accreditation; Inspections; Accountability; Government Expenditures; Costs (Operating and Capital); Funding; Charges; Patterns of Ownership; Corporate Concentration; Contracting Out; and, Service Statistics.

It has not been possible in all cases to provide complete information for each category. In some cases, categories were not applicable to specific programs. For example, the corporate concentration category was not included for provincial psychiatric hospitals because there is no corporate ownership in this program. In other cases, certain types of information were not available. For example, the operating and capital cost category was not included for laboratories because the Ministry of Health does not keep information on costs.

Furthermore, this inventory is not intended to contain all possible information about each program, but rather that information most relevant to a discussion of for-profit/not-for-profit service delivery.

Should further information become available during the rest of the Committee's deliberations, the inventory will be updated as required.

5) Future Activities of the Committee – this section outlines the Committee's agenda for the next phase of its deliberations.

The remainder of the Introduction deals with definition of terms, services and programs included in the report, data collection and data sources, and program classification.

Definition of Terms

For purposes of consistency, the Committee has adopted the following definitions:

Public: facilities, institutions and services owned and operated by government. This includes provincially or municipally owned and operated facilities.

Private–Not–For–Profit: facilities, institutions and services owned or operated by a private sector, not–for–profit organization(s). A not–for–profit organization (as specified in The Charitable Institutions Act) is one in which no individual or individuals may profit from its activities.

Private–For–Profit: facilities, institutions and services owned or operated by private sector individuals, partnerships or corporations, which provide services on a for–profit basis, independent of the type or amount of financial aid or reimbursement received by the operator or residents. This category represents a wide range of activity (i.e. from multinational firms to sole proprietors).

Furthermore, as no assessment has been made of profit levels, also included in this category are private individuals who may or may not be incorporated and who receive a fee for services provided. The Committee recognizes that in many cases these operators may earn very little, if any, profit and that their primary motivation may not be profit–making.

As previously mentioned, within each program standardized categories have been used to present information. Most of these categories are self–explanatory; however, the following warrant clarification:

Expenditures: provincial government spending on a program or service over a one year period. Unless otherwise indicated, the expenditures reported are for the fiscal year 1985/86.

Funding: the source of funding and the program budgetary process, if applicable.

Charges: generally reported as daily or per diem charge. Whenever possible, the patient's portion or out–of–pocket payment is reported.

Costs: expenses incurred by the providers of services and programs. Costs are distinct from expenditures in that expenditures may or may not include a profit component, whereas costs do not.

Contracting Out: a practice occurring typically within publicly owned facilites where provision of a service or component of a service is provided by a for–profit organization.

Service Statistics: includes some or all of the following: number of beds; number of residents/clients; size of facilities; average length of stay; occupancy rate; enrolment; hours of service; which are calculated on a per annum basis for a one year period. Unless otherwise indicated, service statistics are for the fiscal year 1985/86.

Services and Programs Included in the Report

Because the definition of health and social services could be extremely broad, the Committee restricted its investigation to services in which a portion of the ownership, financing or regulation comes under the jurisdiction of the Ministry of Health or the Ministry of Community and Social Services, and which were designated as a program by either Ministry. Therefore, although the services and programs included in this report cover most of the commercial activity in the Province, there remain some specific services (eg. private counselling) that are neither financed nor regulated by either Ministry. Their extent remains unknown and cannot be determined accurately without an extensive and prohibitively expensive survey.

Three other exclusions should be noted. First, following the Ministry of Health's definition of program areas, only those physicians' services provided within Health Service Organizations (HSOs) and Community Health Centres (CHCs) have been included in this report. Second, the Committee recognizes that other Ministries, such as the Ministry of Correctional Services, offer important human services; however, it was felt that such services were beyond the scope of the Committee's inquiry. Third, federally owned institutions operating in Ontario have been excluded from this report.

Data Collection and Data Sources

The primary sources of data were the Ministry of Health and the Ministry of Community and Social Services. Despite the volume of information provided there were three problems with these data. First, it was not always possible to break down services according to ownership type. In addition, in some instances where ownership type was identified, historical data were incomplete and finally, in some instances, data were missing.

The most recent data provided are for the 1985/86 fiscal year unless otherwise indicated. Data for the trend analysis were collected for the fiscal years 1976/77 – 1986/87. This ten year period was felt to be the maximum period for which reliable data might be available. As will be evident from later sections of this report, data availabililty proved to be a significant difficulty even within this short period.

Program Classification

Programs within the two Ministries have been grouped into categories based on clustering on the degree of for–profit activity. The following categories have been used in organizing the detailed program descriptions in Sections 3 and 4 of this report:

Category I – publicly owned facilities

Category II – less than 5% for–profit activity

Category III – between 5–40% for–profit activity

Category IV – greater than 40% for–profit activity

Category V – the extent of for–profit activity is unclear

OVERVIEW OF THE EXTENT AND GROWTH OF FOR-PROFIT ACTIVITY IN HEALTH AND SOCIAL SERVICES IN ONTARIO

This section of the report is intended to provide an overview of the for–profit sector in health and social services in Ontario. This was felt to be useful given the voluminous information provided to the Committee during its first six months, much of which has been synthesized into detailed program descriptions in Sections 3 and 4 of this report. The Committee found, however, that a global assessment of for–profit activity was not a straight–forward task, given that data were often not available and/or not comparable between programs.

Where possible, two types of information are summarized here. The first is the current extent of for–profit activity within each program and the second is the growth of for–profit activity over the years 1976 – 1986.

Ideally, an assessment of the extent of for–profit activity would include data on volume of service, capacity, and expenditures for each program over ten years, with accompanying rates of change. Furthermore, if data on each of these measures were available, the summary statistics in this section could employ a common measurement unit (eg. dollar expenditures, number of patients/clients served , etc.) However, as it has not been possible to obtain complete data for all programs it has been necessary to report results using a variety of available measurement units.

Graphs 1A and 1B present the most recent estimates on the extent of for–profit activity in health and social services respectively. The basis for measurement of for–profit activity is noted at the bottom of the graph for each program.

Graph 1A identifies three clusters of programs by extent of for–profit activity. The first group includes Approved Homes, Residential Care Homes for Special Care, Homes for Special Care Nursing Homes and Nursing Homes which are either completely or almost completely owned or operated on a for–profit basis. In the case of Homes for Special Care, detailed statistics for the numerator and denominator were not available because Ministry data were provided on a percentage basis.

In the case of the HSO program, Graph 1A indicates that just over half of patients enrolled are served by HSOs owned or operated on a for-profit basis. Undue significance should not be attached to this finding given the constraints of the classification system employed. (See Section 3)

The second group of programs includes Emergency Health Services, Laboratory Services and the homemaking portion of the Ontario Home Care Program, which exhibit between approximately 20% and 40% for-profit activity. (Activity in the Laboratory Services Program has been presented both on the basis of dollar expenditures and number of tests.)

The third group of programs exhibits very little or no for-profit activity. This group consists of hospitals, the nursing portion of the Ontario Home Care Program, Community Mental Health Services, Community Health Centres, Alcohol and Drug Dependency Programs, Provincial Psychiatric Hospitals, the Clarke Institute of Psychiatry and the Addiction Research Foundation. The percentage of for-profit activity for the contracted-out portion of hospital services is calculated as a percentage of total operating revenue. For Community Mental Health Services, the only information available from the Ministry of Health is on a proportionate basis.

Graph 1B identifies three clusters of programs by extent of for-profit activity. The first group consists of programs with greater than 40% for-profit activity, and includes Childrens' Boarding Homes, Family Home Program, Foster Care, Municipal Hostels, Child Care and Tri-Ministry Services. Of these programs, Childrens' Boarding Homes and the Family Home Program are wholly operated on a for-profit basis. In the case of Municipal Hostels, the percentage figure was estimated from survey data collected by the Ministry of Community and Social Services in 1981.

The second group consists of programs with between 5% and 40% for-profit activity and includes Special Services at Home, Approved Homes, and Homemaking and Nursing Services.

Graphs 2A and 2B present trends in for-profit activity, by program, for the period 1976 to 1986 for health and social services respectively.

In both graphs not all programs are represented because there was either no historical data or no breakdown by ownership for the ten year period. In some cases, however, data were available for a portion of the period. The lack of trend data is an acute problem in the social services field. In fact, the only program for which data were available is Child Care. The Committee recommends that in cases where it has been indicated that data were not available, the Ministry of Health and the Ministry of Community and Social Services should begin to collect such data on a routine basis.

Although Graph 2A indicates that, for programs for which there are data, there has been some increase in the level of for-profit activity, this has not been a major development during the ten year period. An analysis of the year-over-year rates of change indicates that in only one program, the Ontario Home Care Program, has there been an increase in the extent of for-profit activity. In the case of the homemaking portion, hours of service provided by for-profit agencies increased from 18.0% of the market in 1978/79 to 23.0% in 1984/85. For the home nursing portion of this program, nursing visits provided by for-profit agencies increased from 0% of the market in 1978/79 to 0.5% in 1984/85.

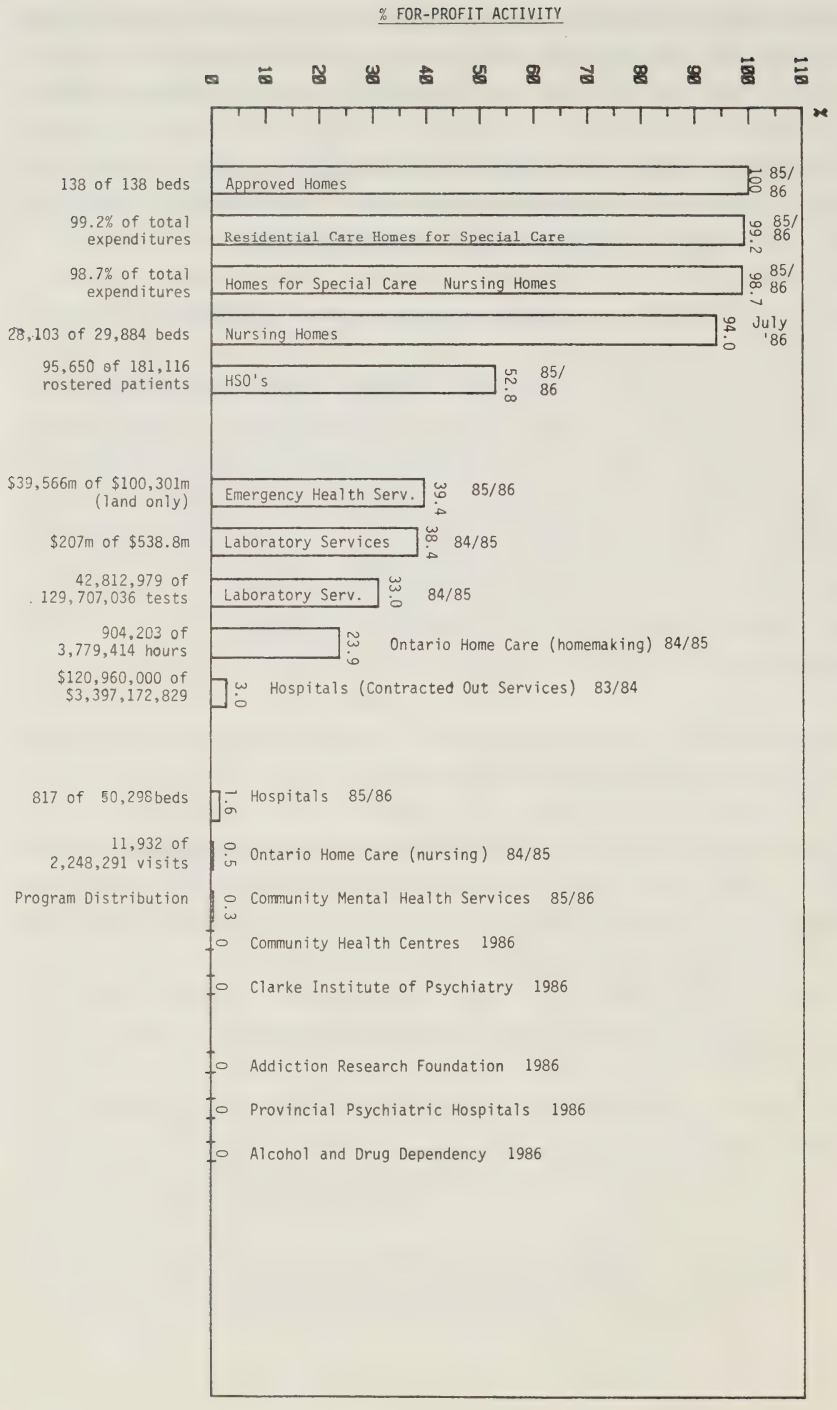
The asterisks on the zero axis indicate that there is and has been no for-profit activity in the five programs listed below the axis.

Graph 2B indicates that during the 1979/80 to 1986/87 period there was almost no change in the level of for-profit activity in child care. The asterisks on the zero axis indicate that there is and has been no for-profit activity in the three programs listed below the axis.

Details for each program can be found in Sections 3 and 4.

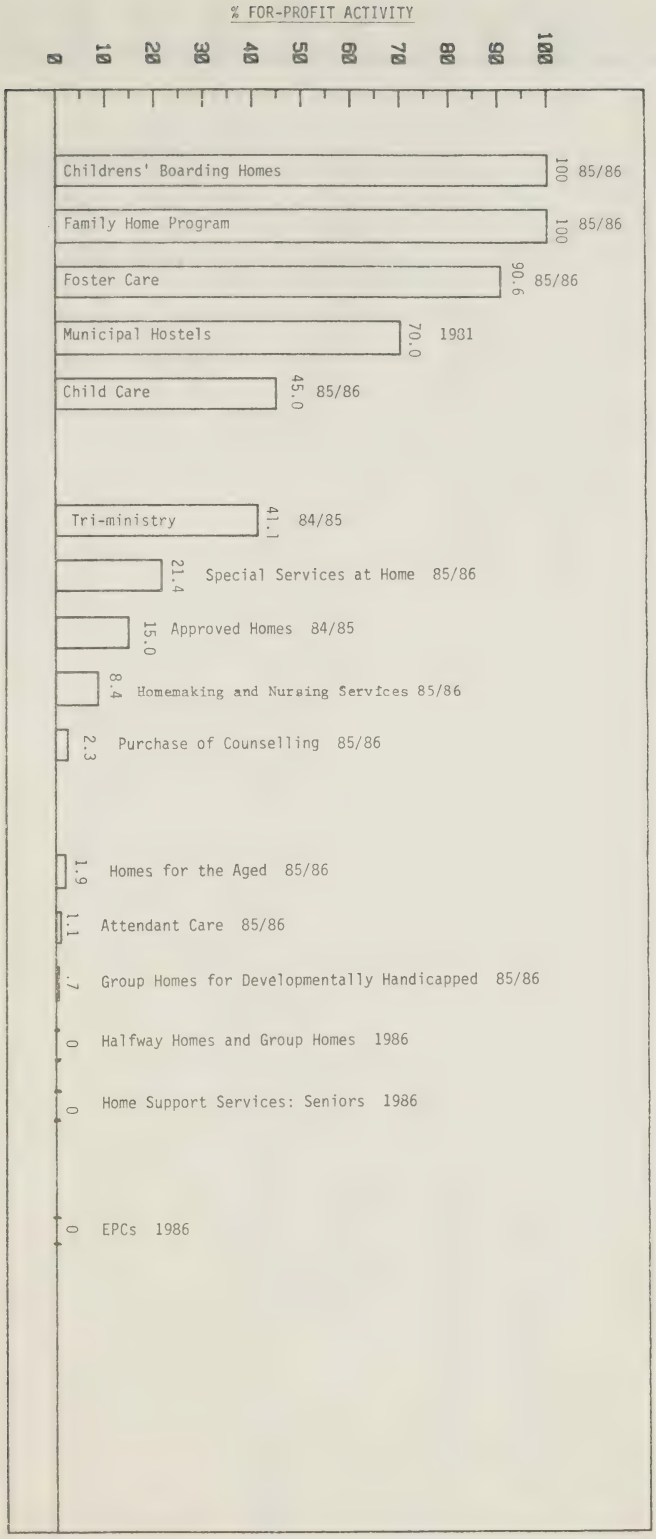
GRAPH 1A

EXTENT OF FOR-PROFIT ACTIVITY BY PROGRAM: HEALTH



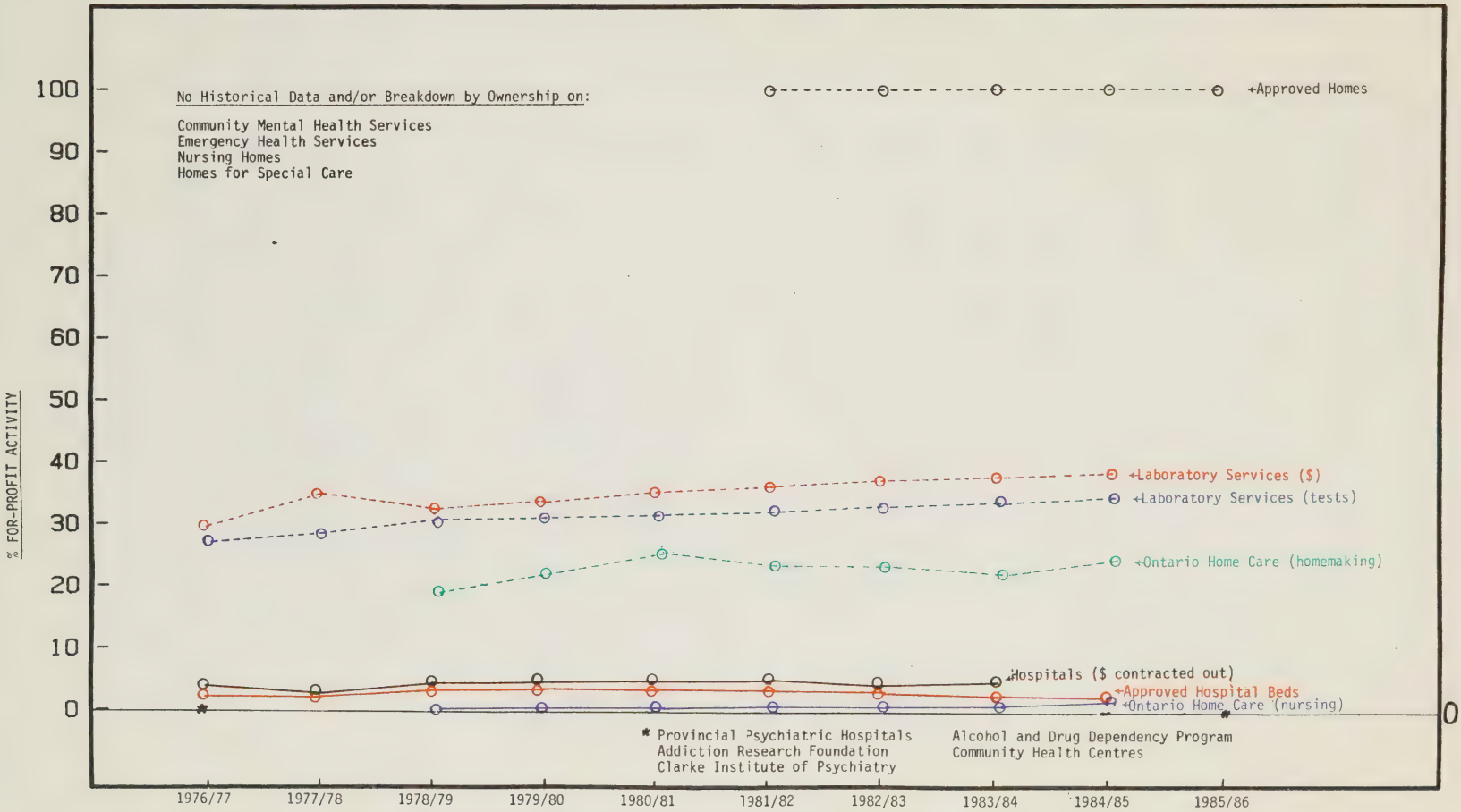
GRAPH 1B

EXTENT OF FOR-PROFIT ACTIVITY
BY PROGRAM: SOCIAL SERVICES



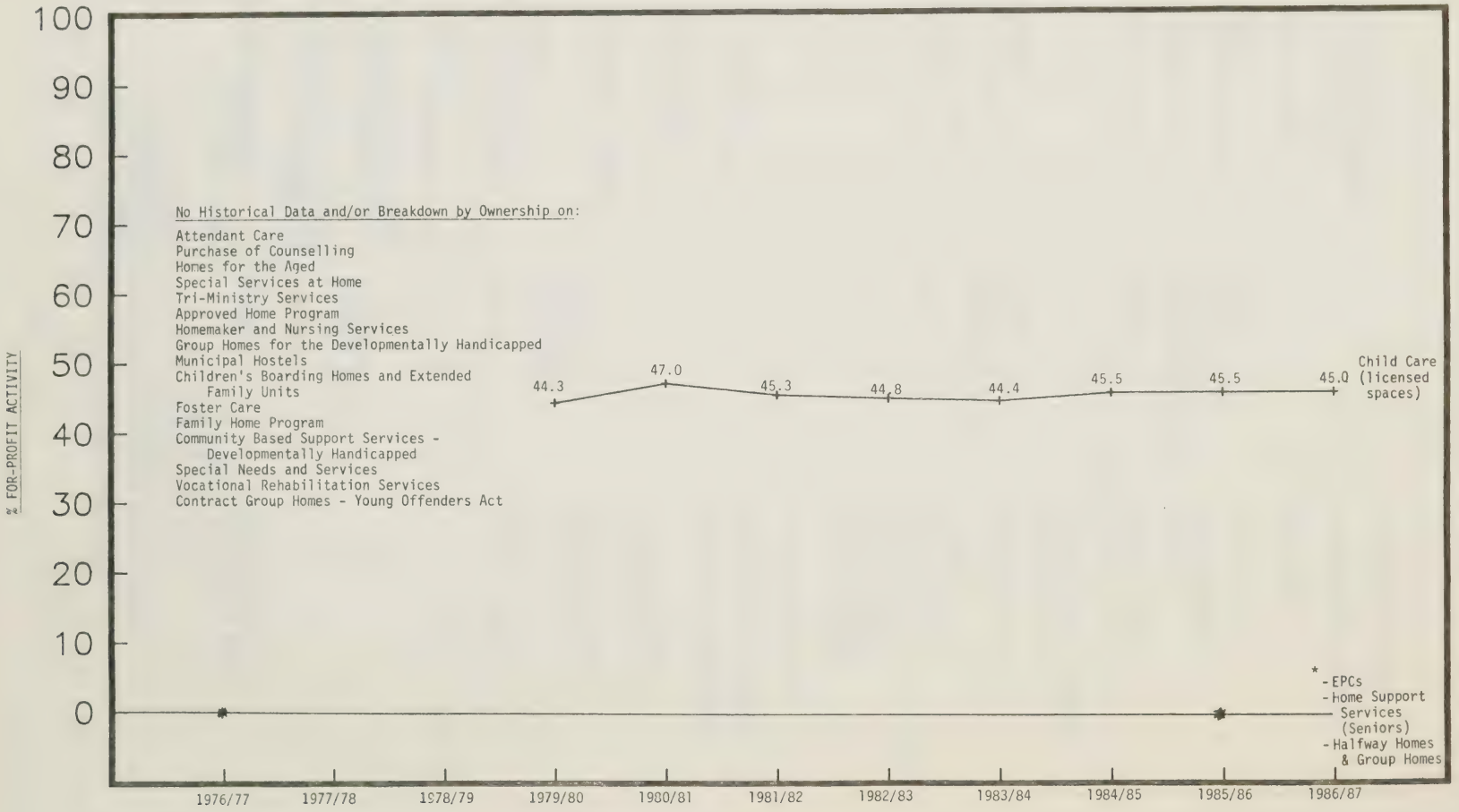
GRAPH 2A

TRENDS IN FOR-PROFIT ACTIVITY 1976-1986
BY PROGRAM: HEALTH



GRAPH 2B

TRENDS IN FOR-PROFIT ACTIVITY 1976-1986
BY PROGRAM: SOCIAL SERVICES



SUMMARY OF FOR–PROFIT ACTIVITY IN HEALTH AND SOCIAL SERVICE PROGRAMS

(based on most recent data available)

Ministry of Health	Category	Ministry of Commmunity and Social Services
Provincial Psychiatric Hospitals Addiction Research Foundation Clarke Institute of Psychiatry	**Category I:** **Publicly–Owned Facilities**	
Community Mental Health Services Program Alcohol and Drug Dependency Program Community Health Centres (CHCs) Acute and Chronic Care Hospitals	**Category II:** **Less Than 5% For–Profit Activity**	Elderly Persons' Centres Home Support Services – Seniors Halfway Houses and Group Homes Attendant Care Program Purchase of Counselling Homes for the Aged Group Homes for Developmentally Handicapped
Emergency Health Services Program Ontario Home Care Program	**Category III:** **Between 5–40% For–Profit Activity**	Special Services at Home Approved Homes Homemakers and Nurses Services Program
Laboratory Services Approved Homes Homes for Special Care Nursing Homes Health Service Organizations (HSOs)	**Category IV:** **Greater Than 40% For–Profit Activity**	Municipal Hostels Children's Boarding Homes Foster Care Child Care Family Home Program Tri–Ministry Services

Category V:	Community–Based Support Services –
Extent of For–Profit Activity is Unclear	Developmentally Handicapped
	Special Needs and Services Program
	Vocational Rehabiliatation Services Program
	Contact Group Homes (Y.O.A.)

PROGRAM INFORMATION BY EXTENT OF FOR-PROFIT ACTIVITY: HEALTH

CATEGORY I – PUBLICLY OWNED FACILITIES

1) PROVINCIAL PSYCHIATRIC HOSPITALS

Ministry Division: Mental Health Operations Branch

Legislation: Mental Health Act, Mental Hospitals Act

Clientele: Individuals with psychiatric disorders

Program Description: In–patient and out–patient settings provide treatment and counselling to stabilize the individual and to facilitate re–entry into the community.

Number of Facilities

Total:	10
Public Sector:	10
Private–not–for–profit:	0
Private–for–profit:	0

(See Table 1 for changes over time)

Methods of Approval and/or Accreditation

Hospitals receive accreditation from the Canadian Council on Hospital Accreditation. Hospitals must meet Ministry standards in the Acts and their Regulations, hospital medical staff by–laws and hospital policy and procedure manuals. All 10 psychiatric hospitals have received full accreditation from the Council.

Inspections

Inspections are conducted by the Council every one to three years and by the Staff of the Ministry of the Solicitor–General. Quality assurance tests are performed by the Ministry of Health and the Ministry also undertakes regular audits of each hospital.

Accountability

Each hospital has a board which is responsible for the day–to–day management. Each hospital also has a Community Advisory Board to promote community understanding of mental health issues and to provide advice to the Minister of Health. Furthermore, there is a patient advocate in each hospital (there are 2 at Queen Street Mental Health Centre and at Penetang Mental Health Centre) who act on behalf of the residents in dealings with the hospital and others if required.

Expenditures

$273,938,755 for net expenditures for 1985/86.

(See Table 2 for expenditures over time)

Funding

All hospitals are operated and funded by the Ministry of Health.

Charges

There are no charges to residents in psychiatric hospitals. All services are covered under the Ontario Health Insurance Plan.

Contracting Out

The St. Thomas Psychiatric Hospital has contracted out its dietary services. An initial $355,000 was paid to suppliers in setting up the service. Problems in implementing the system resulted in a task force examining the service and recommending contract management of the dietary system. With Ministry approval, a request for proposals from food service management organizations has been issued and a manager was appointed.

Service Statistics

# of Beds – 4831

(See Table 1 for changes over time)

length of stay – 65% of patients are in hospital less than 2 weeks

90% of patients are in hospital less than 1 week

First Admissions	–	4,379
Readmissions	–	6,594
Total	–	10,973

Discharges – 11,154

Referrals on Discharge – 5.5% to Homes for Special Care
38% to out-patient programs and community-based programs
55% returned home or are referred to a physician or psychiatrist

# of Staff

GPs	–	65
Psychiatrists	–	151
Total Doctors	–	216
Hospital staff	–	8132

TABLE 1

PROVINCIAL PSYCHIATRIC HOSPITALS – Number of Facilities, 1976 – 1985/86

Year	No. of Hospitals	Percent Change	No. of Beds	Percent Change	GPs	Psychi–atrists	Total Doctors
1976	13		5,426		—	—	—
1977/78*	11	–15.4	5,300	–2.3	—	—	—
1978/79	11	0.	5,100	–3.8	—	—	—
1979/80[1]	10	– 9.1	4,891	–4.1	—	—	—
1980/81	10	0.	4,948	1.2	—	—	—
1981/82	10	0.	4,917	–0.6	57	124	181
1982/83	10	0.	4,917	0.	58	127	185
1983/84	10	0.	4,917	0.	63	122	185
1984/85	10	0.	4,917	0.	69	147.5	216.5
1985/86	10	0.	4,831	–1.7	65	151	216
Total Change:		–23.1%		–11.0%	14.0%	21.8%	19.3%

Source: Ontario, Ministry of Health, Hospital Statistics, 1976–1984/85.

* January 1, 1977 – March 31, 1978.

[1] Closing of Lakeshore Psychiatric Hospital.

TABLE 2

PROVINCIAL PSYCHIATRIC HOSPITALS
NET EXPENDITURES – 1978/79 – 1986/87

Year	Amount	% Change	Constant Dollars 1981=100	% Change
1978/79	$ 152,007,567		$205,693,595	
1979/80	$ 163,702,287	7.7	$202,852,896	–1.4
1980/81	$ 176,160,330	7.6	$198,155,602	–2.3
1981/82	$ 193,162,924	9.7	$193,162,924	–2.5
1982/83	$ 221,659,230	14.8	$200,053,457	3.6
1983/84	$ 241,687,518	9.0	$206,218,019	3.1
1984/85	$ 254,512,076	5.3	$208,104,723	0.9
1985/86	$ 273,938,755	7.6	$215,360,656	3.5
1986/87 (est.)	$ 269,000,000	–1.8	$203,172,205	–5.7
Total Change:	77%		–1.2%	
Average Annual Change:	7.5%		0.1	

Source: Ontario, Ministry of Treasury and Economics, Public Accounts, 1976/77 – 1985/86.

2) ADDICTION RESEARCH FOUNDATION

Ministry Division: Mental Health Branch

Legislation: Alcoholism and Drug Addiction Research Foundation Act, Public Hospitals Act

Clientele: Drug and alcohol addiction patients

Program Description: Program of research and clinical treatment of alcoholics and addicts. Public education on alcoholism and drug addiction.

Methods of Approval and/or Accreditation

The Foundation was created by the Provincial Government. It is operated by a Board of Directors whose members are appointed by Order–in–Council.

Inspections

Regular inspections of the medical unit and lab are performed by the appropriate branch of the Ministry of Health.

Accountability

The Board of Directors is responsible for the day–to–day management of the Foundation and is accountable to the Ministry of Health through the Assistant Deputy Minister, Mental Health. The Foundation must comply with the standards and regulations of the Hospitals Act, Ministry policy and procedure manuals and its own medical by–laws.

Expenditures

$30.5m (86/87) – 20.7% School of Addiction Studies
23.9% Regional Offices (30 in total)
34.1% Clinical Institute
21.4% administration and executive

The Foundation is excluded from the BOND program (see hospitals); however, it is allowed to retain a general reserve of 5% of budgeted expenditures plus a reserve for repairs and renovations of $500,000.

Funding

The Foundation receives an annual budget from the Ministry of Health.

Charges

There are no fees charged of the Foundation's patients. Medical services are covered by OHIP.

Contracting Out

The Foundation does not contract out any of its professional services.

Service Statistics

# of Patient Visits	–	6700 to emergency 9275 to medical clinic
# of Admissions	–	3091
Occupancy Rates	–	non–medical unit – 79% medical unit – 66% detox centre – 76%
Average Length of Stay	–	non–medical unit – 12–14 days medical unit – 6 days

3) CLARKE INSTITUTE OF PSYCHIATRY

Ministry Division: Mental Health Branch

Legislation: Ontario Mental Health Foundation Act, Public Hospitals Act

Clientele: Psychiatric patients

Program Description: Hospital with facilities for psychiatric research, diagnosis and treatment.

Methods of Approval and/or Accreditation

The Clarke Institute has an administrative structure similar to that of a hospital. The Canadian Council on Hospital Accreditation awards accreditation every one to three years.

Inspections

Every one to three years by the Canadian Council on Hospital Accreditation.

Accountability

The Board of Trustees are responsible for the day–to–day management of the Institute and are accountable to the Ministry of Health through the Assistant Deputy Minister of Health, Mental Health. The Institute must comply with the standards in the Hospital Act and its regulations, Ministry policy and procedure manuals and its own medical by–laws.

Expenditures

$20,800,000 (86/87 estimate)

Funding

The Institute operates on an annual budget from the Ministry of Health.

Charges

The Clinical Institute's services are insured under OHIP with the exception of speech pathology for which there is a charge.

Contracting Out

The Institute contracts out its bloodwork to the Addiction Research Foundation.

Service Statistics

# of Beds – 139 in-patient

# of Outpatient Visits – 73,300 for 7856 cases

# of Admissions – 1098

# of Readmissions – 820 (Jan 86 – Nov 86)

# of Patient Days of Care – 45,821

Occupancy Rate – 95%

Average Length of Stay – 23 days

CATEGORY II – LESS THAN 5% FOR–PROFIT ACTIVITY

1) COMMUNITY MENTAL HEALTH SERVICES PROGRAM

Ministry Division: Community Mental Health Branch

Legislation: Ministry of Health Act

Clientele: Psychiatric patients, drug and alcohol addiction patients

Program Description: Community programs to provide rehabilitation services in all aspects of independent living (accommodation, personal finances, employment). Ongoing community care is provided to the mentally handicapped and individuals with drug and alcohol addiction problems.

Distribution of Programs

Public sector:	Health units	–	**4.5%**
Private–not–for–profit:	Public Hospitals	–	35.0%
	Independently incorporated	–	31.0%
	Cdn. Mental Health Assoc.	–	18.0%
	Voluntary Assocations	–	4.0%
	Other not–for–profit	–	7.2%
	Total	–	**95.2%**
Private–for–profit: (See for–profit activity)			**0.3%**

Types of Programs

Prevention Programs	–	10
Self–Help	–	2
Drug & Alcohol	–	84
Counselling	–	92
Coordinating	–	32
Psychogeriatric	–	18
Housing	–	58
Rehab	–	63
Total	–	**359**

(See Table 1 for changes over time)

Methods of Approval and/or Accreditation

Each year District Health Councils undertake a public call for program proposals for their area. The District Health Council in conjunction with the Ministry of Health assigns priority to the proposals. Once a program has been approved, there is a 2 year developmental period in which there are 2 detailed evaluations of the program's implementation and success. A recommendation is then made regarding ongoing funding or an extension of the developmental period.

Inspections

Each program is assigned to a Program Development Officer with the Mental Health Operations Branch of the Ministry of Health. The Program Officer visits regularly and ensures compliance with the program's objectives.

Accountability

Once the program has been approved, a Memorandum of Understanding is developed between the agency providing the program and the Ministry of Health. Each program must provide annual audited statements, quarterly and annual financial statements and utilization statistics.

Guidelines for the operation of programs are set out in the Community Mental Health Services Program Manual for program management, fiscal policies, client records and confidentiality.

Expenditures

$50,095,200 (1986/87 estimate)

Funding

Budgets are developed during the developmental period and are reviewed with the Program Officer.

Charges

Charges depend upon the type of program. Boarding home residents usually pay a portion of the cost for accommodation.

Service Statistics

# of Beds – 832 for former psychiatric patients
(projection of 972 for 86/87)

# of Admissions – 28,126 (84/85)

# of Readmissions – 54,106 (84/85)

Activity of Private, For-Profit Sector

1) Contract Aftercare Program (CAP)

- Province provides funds for the upgrading and repair of selected boarding homes in Metro Toronto
- operators selected must contract to provide housing predominantly for discharged psychiatric patients and must charge rents that are affordable under the General Welfare Assistance Act and the Family Benefits Act.
- $250,000 has been allocated to date

2) Boarding Home Contract Program

- provides $1.5m for physical upgrading of boarding homes across the province if a majority of residents in the homes are discharged psychiatric patients
- provides a one time capital grant to each municipality requesting funds
- 14 submissions for 1985/86
- $669,950 for 12 submissions was approved
- two further requests submitted after the deadline were approved for $282,000

3) Sherbonville

- private boarding home in the City of Toronto receiving funding to provide programs to its residents
- has been funded since 1983

4) Channon Court

Channon Court is a private boarding home in the City of Toronto that has been receiving funding from the Ministry of Health since 1983. The home was originally bought in 1981 by private individuals for $530,000. By January 1983 the owners were $34,000 in debt and they approached the Ministry for financial assistance. A one time grant was approved of $115,000 to pay for staff, food quality improvement and other program improvements. The Ministry also approved a monthly payment of $12,000 for the home's management. Evidence tabled at a recent inquest into the death of one of Channon Court's residents indicated that the money was spent on items not approved by the Ministry.

The home is being sold to a not-for-profit agency for $480,000 with the Ministry of Health making up the difference with the original sale price.

TABLE 1

COMMUNITY MENTAL HEALTH PROGRAMS, 1981/82 – 1985/86

Year	# of Programs	% Change
1981/82	152	—
1982/83	200	31.6
1983/84	256	28.0
1984/85	306	19.5
1985/86	359	17.3
Total Change	136.2%	
Average Annual	24.1%	

Source: Ontario, Ministry of Health, unpublished data, August 1986.

2) ALCOHOL AND DRUG DEPENDENCY PROGRAM

Ministry Division: Community Mental Health Branch

Legislation: Ministry of Health Act

Clientele: Alcohol and drug addiction patients

Program Description: Community-based addiction services operated by not-for-profit agencies or boards in the community.

Number of Programs

Total:	83 programs	– assessment	– 19
		detox	– 22
		outpatient	– 29
		residential	– 13

Public sector:	0
Private-not-for-profit:	83
Private-for-profit:	0

As Table 1 indicates there has been a large increase in the number of drug and alcohol dependency programs since 1983 with an average annual increase of 36%.

Methods of Approval and/or Accreditation

Program eligibility is determined by Ministry of Health staff in the Community Mental Health Services Branch. All programs are sponsored by incorporated not-for-profit agencies.

Inspections

Programs are assigned to a Program Officer who monitor the programs' development and ensure compliance with program objectives.

Accountability

Program officers regularly evaluate each program according to policies and procedures set out in the Community Mental Health Services Program Manual.

Expenditures

$11,318,378 – $9,878,500 for existing programs
$1,439,878 for new programs

As Table 2 indicates, expenditures have increased 145.9% in constant dollars with an average annual change of 16.7%.

Funding

Agencies offering programs are funded directly by the Ministry of Health. As non–medical program models, these programs are not insured under OHIP unless they are provided by hospitals; thus, they receive non–statutory funding.

Charges

There are no charges made of individuals using these programs.

Service Statistics

# of Beds – 149

TABLE 1

ALCOHOL AND DRUG DEPENDENCY PROGRAM, 1979/80 – 1985/86

Year	# of Programs	% Change
1979/80	14	—
1980/81	21	50
1981/82	25	19
1982/83	28	12
1983/84	48	71.4
1984/85	67	39.6
1985/86	83	23.9

Total Change: 492.9%

Average Annual Change: 36.0%

Source: Ontario, Ministry of Health, unpublished data, August 1986.

TABLE 2

EXPENDITURES – ALCOHOL AND DRUG DEPENDENCY PROGRAM, 1979/80 – 1985/86

Year	Expenditures (Ms)	Per cent Change	Constant Dollars (1981=100)	Per cent Change
1979/80	2.9		$ 3,593,556.40	
1980/81	3.5	20.7	$ 3,937,007.90	9.6
1981/82	4.1	17.1	$ 4,100,000.00	4.1
1982/83	5.1	24.4	$ 4,602,888.10	12.3
1983/84	6.8	33.3	$ 5,802,047.80	26.1
1984/85	8.3	22.1	$ 6,525,157.20	12.5
1985/86	11.7	40.9	$ 8,836,858.00	35.4
Total Change:		303.4%	145.9%	
Average Annual Change:		26.4%	16.7%	

Source: Ontario, Ministry of Health, unpublished data, August 1986.

3) COMMUNITY HEALTH CENTRES

Ministry Division: Community Health Programs Branch

Legislation: Ministry of Health Act

Clientele: Lower income groups, those with higher health risks and those with barriers to access to health care (linguistic or geographic).

Program Description: Community boards receive program–funding to provide primary health care to an identified group of people in need.

Number of Facilities

Total:	12
Public sector:	0
Private–not–for–profit:	12
Private–for–profit:	0

Methods of Approval and/or Accreditation

A community–based, not–for–profit group must carry out a needs assessment, seek ranking from their District Health Council and receive approval from the Ministry of Health.

Accountability

Regular monitoring by Ministry staff and regular reporting procedures for statistical and financial information.

Expenditures

$3,406,653

Over the period under review, expenditures have increased 9.9% in constant dollars. (See Table 1)

Funding

Annual global budgets are negotiated with the Ministry of Health on a program by program basis.

Charges

There are no charges to individuals using the services of a Community Health Centre.

Service Statistics

# of Patients Enrolled – 42,000

TABLE 1

CHC PAYMENTS 1976–86

Year	CHC Payment (MS)	Per cent Change	Constant Dollars (1981=100)	Per cent Change
1976/77	$ 1,533,401		$ 2,437,839.40	
1977/78	$ 1,461,346	–4.7	$ 2,152,203.20	–11.7
1978/79	$ 1,552,928	6.3	$ 2,101,391.10	–2.4
1979/80	$ 1,818,455	17.1	$ 2,253,351.90	7.2
1980/81	$ 2,188,135	20.3	$ 2,461,344.20	9.2
1981/82	$ 2,124,143	–2.9	$ 2,124,143.00	–13.7
1982/83	$ 2,544,584	19.8	$ 2,296,555.90	8.1
1983/84	$ 3,212,406	26.2	$ 2,740,960.80	19.4
1984/85	$ 3,788,634	17.9	$ 3,097,820.10	13.0
1985/86	$ 3,406,653	–10.1	$ 2,678,186.30	–13.5
Total Change:		122.2%		9.9%
Average Annual Change:		10.0%		1.7%

Source: Ontario, Ministry of Health, Community Health Programs Branch, unpublished data, December 1986.

4) ACUTE AND CHRONIC CARE HOSPITALS

The Ministry of Health categorizes these facilities as public and private. The public category includes those hospitals owned by private-not-for-profit groups such as charitable and religious organizations and municipally owned facilities. For the purposes of this Report, the public category includes only those hospitals owned by a level of government and the remaining "public" hospitals are included in the private-not-for-profit category.

Ministry Division: Institutional Division

Legislation: Public Hospitals Act, Private Hospitals Act, Health Insurance Act, Private Sanitoria Act, Mental Health Act

Clientele: general public

Program Description: Treatment and rehabilitation of people with disease, injuries or chronic conditions.

Number of Facilities

Total: 239 hospitals

Public sector: 16 municipal (6.7%)

Private-not-for-profit:	lay	168	(70.3%)
	charitable	38	(15.9%)
		206	(86.2%)
Private-for-profit:	acute	6	(2.5%)
	chronic	11	(4.6%)
		17	(7.1%)

Since 1976, there has been a long term decline in the number of hospital facilities but a parallel growth in their capacity. (See Tables 1 and 2)

The most dramatic changes have occurred in the private–for–profit sector, where 9 of the 26 hospitals initially servicing the community had ceased to exist by 1985. Over the same period the average size of these hospitals increased by 65%, from 29 to 48 approved beds per institution. (It should be noted that part of this increase is due to the inclusion in 1978/79 of Homewood Sanitarium of Guelph, with 312 beds which had not previously been included in this category).

A similar trend was evident in the public and the private–not–for–profit sectors. Over the period under study, 14 of the original 235 hospitals were closed while there was an overall increase of 1,248 beds. As a result, there was a 10% increase in the average size of each hospital, from 205 to 255 beds.

Methods of Approval and/or Accreditation

There have been no new licenses for private–for–profit hospitals since 1973.

Hospitals receive accreditation from the Canadian Council on Hospital Accreditation for a period of one to three years.

Inspections

Hospitals must comply with the standards outlined in legislation and regulations, Ministry policy and procedure manuals and their own by–laws. Public health inspectors, the Laboratory Inspection Branch, Ministry of Health, and the Canadian Council on Hospital Accreditation all inspect facilities.

Accountability

Public and private–not–for–profit hospitals are run by a Board of Governors. The Board is responsible for the general management of the hospital in accordance with Ministry of Health standards. Private–for–profit hospitals must meet licencing requirements under the Private Hospitals Act.

The Minister of Health may review, transfer or revoke licenses and must approve alterations and renovations to facilities and capital equipment purchases.

Expenditures

$4,285,000,000

Over the period of study, the average annual change in expenditures in constant dollars has been 2.2%. Hospitals' share of total health care expenditures has declined over the period of 1975/76 – 1985/86 from 68% to 59.5%. (See Table 3)

Costs

a) Operating Costs – $4,300,000,000

The operating costs of hospitals have more than doubled in the last eight years in nominal terms largely because of inflation. Over this period, real growth in operating costs has been small at approximately 5% per annum. (See Tables 4 and 5 for figures in current dollars and Tables 6 and 7 for figures in constant dollars)

While structural changes in the sources of revenue have not been large, the changes which have occurred are significant. The Ministry of Health's share of payments remains the major source of revenue but over the period, it has decreased slightly from 96.3% of revenues to 95.4% of revenues. (See Table 4)

Revenues from the federal government have fluctuated from .09% in 1976, to a high of .78% in 1978/79 to .48% in 1984/85. (See Table 4)

The most consistent increase, and in recent years the greatest increase, has been for the category of the uninsured resident. This source of revenue grew eleven-fold, from $4 million to $44 million in nominal terms, over the period. Nevertheless, even by the end of the period, these fees only contributed approximately 1% of the total revenue received. (See Table 4)

Although Workers' Compensation Payments represent the third largest source of revenue for Ontario hospitals, they constitute only a little more that 1% of total operating revenues. (See Table 4)

Finally, the category of payments from insured residents who are not the responsibility of the Ontario Ministry of Health has shown considerable but erratic growth over the period. The significance of this development is difficult to analyse. There are a number of different factors influencing this data such as the effect of changes in demographics on the proportion of accidents (and thus insurance claims) and the effect of the introduction of the BOND program.

b) Capital Costs – $269,500,000

Capital expenditures have averaged an annual change of 12.2% which in constant dollars is a change of 3.7%. The greatest increase occurred in 1982 when the Ministry of Health changed its funding formula for hospitals. (See Table 8)

Profit Levels

Even though private–for–profit hospitals operate on a for–profit basis, the profit level allowed by the Ministry of Health is restricted to a 6.5% return on invested capital.

Funding

Hospitals (excluding private–for–profit) are funded through global budgets which are negotiated annually with the Ministry of Health.

The 1984/85 average per diems were $269.17 for acute care and $130.28 for chronic care.

A new program was introduced in 1981 called the Business Oriented New Development Program (BOND) This program allows hospitals to retain surplus income. Hospitals are allowed to keep revenue from charges for semi–private and private rooms, from gift shops and other non–patient care services.

Charges

All hospitals (with the exception of one 6-bed cosmetic surgery) provide insured services under OHIP. There are no out-of-pocket charges for insured medical services; however, if patients wish, they may pay extra for accommodation in semi-private and private rooms.

Service Statistics

# of Beds	- public and private-not-for-profit	- 49,481	(98.4%)
(84/85)	- private-for-profit	- 817	(1.6%)
	- total	- 50,298	

Occupancy Rate - 88.0%

Average Length of Stay - 11.4 days (all types of hospitals)

Admissions - 1,297,299

Patient Days of Care Given - 15,457,863

Contracting Out

Hospitals engage in contracting out of support services (laundry, dietary, security and maintenance services) and the contracting out of hospital management.

a) SUPPORT SERVICES

The following information excludes private-for-profit hospitals.

i) Laundry Services

In Ontario, laundry services are the most common contracted out service. In 1984/85 just over 50% of all laundry services were contracted out. (See Table 11)

The rate of growth in expenditures for contracted out laundry services was slow over this period; howeve, the actual amount of service (as measured by kilograms of soiled weight) contracted out increased at a greater rate than did the expenditures for contracted out services. In terms of the volume of service, 65.5% of the total amount of laundry service utilized by hospitals in 1984/85 was contracted out, representing 50.8% of all laundry expenditures.

ii) Maintenance Services

In current dollars, the amount of maintenance services that were contracted out grew from 12.2% in 1976 to 14.9% in 1984/85. (See Table 12)

iii) Housekeeping Services

The share of contracting out housekeeping services remained stable over the period, at just over 7.5% of total housekeeping costs. (See Table 13)

iv) Dietary Services

The contracting out of dietary services fluctuated during the period under review. Nevertheless, contracted out dietary services represent a small part of total dietary costs. In terms of volume of service, contracted out dietary services as a percent of total service has remained fairly consistent at approximately 7%. (See Table 14)

Market Concentration

In general, the market which supplies services on a contract basis to hospitals is quite concentrated for each of these categories.

In anticipation of the Committee's deliberations, the Ministry of Health undertook a survey of Ontario hospitals (excluding private for-profit hospitals) to determine which services were contracted out, who had the contract, the amount of the contract and the total cost of service. (See Table 15)

b) MANAGEMENT SERVICES

The contracting out of hospital management is one of the areas the Committee wishes to examine during the first phase of public hearings.

There are two cases of hospitals in Ontario contracting out their management to a private–for–profit firm.

1) Hawkesbury District General Hospital

Hawkesbury is located in Prescott County, approximately halfway between Montreal and Ottawa on the Ontario/Quebec border.

Hawkesbury District General Hospital is actually an amalgamation of 3 institutions in the area, all of which were in need of upgrading at the time of the introduction of private contract management.

Hawkesbury suffered from a number of organizational and financial problems. Although a new facility was needed, it was apparent the community could not raise the necessary funding on its own.

The Board of Governors approached the Ministry of Health with a proposal to sort out both the management problems within the existing institution and to finance capital construction costs for a new building. The Board proposed to contract out both functions. The Ministry agreed and a tendering process was undertaken.

Extendicare Hospital Management and Development Ltd., American Medical International (Canada) Ltd. (AMI), and the Ottawa General Hospital were short listed. AMI was awarded the contract as the others were not able to guarantee the capital necessary for expansion.

AMI, a subsidiary of AMI Corp. (California), was given an annual fee of $300,000 (adjusted annually) and 50% of any operating surplus over $750,000. In return, AMI would manage the hospital, supervise the construction of a 110–bed facility and underwrite a $6 million loan for the hospital for the new facility. AMI began management of the facility on 1 January 1983.

In December of 1983, a Ministry appointed inspection team reviewed the operations of the hospital and concluded that:

- communication between departments, hospital staff and the Board of Governors had improved;
- manuals were being written for all departments which would improve organization and procedure;
- more professional staff were being hired and more money was being directed towards staff education and training.

Although the inspection team felt that it was too early to detect real changes in the quality of care, it was thought that changes underway would contribute to such an improvement.

According to the Ministry of Health there has been no further Ministry study of the Hawkesbury situation.

In 1986, the hospital received a 3-year accreditation from the Canadian Council on Hospital Accreditation.

The following is a breakdown of Hawkesbury's expenses and revenues since 1981/82. The Ministry of Health has stated that the surplus has not exceeded $750,000, therefore, AMI has not received any surplus funds.

	1981/82	1982/83	1983/84	1984/85	1985/86
Revenue	6,648,677	7,635,851	9,125,952	10,373,504	10,935,752
Expenses	6,695,327	7,414,672	8,513,459	10,346,063	10,662,627
Deficit/ Surplus	–46,650	221,179*	612,493	27,441	273,125

* In 1982/83 the Ministry of Health changed its financing of Ontario hospitals to match annual spending in an effort to reduce hospital deficits.

2) Queensway General Hospital

In 1981, the Borough of Etobicoke was in need of chronic care beds as its two hospitals were experiencing difficulties with chronic care patients occupying acute care beds. The Ministry of Health had already committed its capital funds to other projects.

The Queensway General Hospital approached the Ministry of Health with a proposal to allow construction of a 120-bed facility with a publicly tendered process for the construction and management of the new facility (not the entire hospital). A call for proposals was issued in December 1981. Three private firms were short listed and Extendicare Hospital Management and Development Ltd., a subsidiary of the nursing home operator, was recommended by the hospital as preferred bidder because of its experience with long term chronic care in nursing homes.

A contract was negotiated with the Ministry in April of 1983 with the following provisions:

a) Extendicare would supply 2/3 of the capital and would construct the new wing with the Government having the right to buy out Extendicare at any time. The contract was for 20 years with the capital fund amortized on the basis of $16/bed/day. (The Province decided to buy out the capital portion which was concluded at the end of 1986).

b) Extendicare would manage the chronic care wing for 19½ years.

c) Payment to the facility for the provision of chronic care was based on a schedule similar to other chronic care hospitals. According to the Ministry of Health, the chronic care per diem cost for the McCall Chronic Care wing in 1985/86 was $124.52.

Extendicare reports to the Board of the Hospital through a Board of Management. The Board of Management is chaired by the Chairman of the Hospital and includes the President of the Hospital, the Chief of Geriatrics, the President of Extendicare Hospital Management and Development Ltd. and the Administrator of the McCall wing, who is an employee of Extendicare.

TABLE 1A

CAPACITY IN ACCREDITED PUBLIC & PRIVATE-NOT-FOR-PROFIT HOSPITALS, 1977-1985

Year	Number of Hospitals	Rated Beds	%	Approved Beds	%	Staffed Beds	%	Staffed as % of Approved	% Change
1977	235	51,794		48,233		47,286		98.0	
1978	235	52,454	1.3	48,875	1.3	48,283	2.1	98.8	0.8
1979	233	52,779	0.6	48,447	-0.9	47,922	-0.7	98.9	0.1
1980	231	52,855	0.1	47,510	-1.9	47,156	1.6	98.3	0.3
1981	230	52,428	0.8	47,615	0.2	47,484	0.7	98.7	0.5
1982	230	52,687	0.5	48,668	2.2	47,879	0.8	98.4	-1.3
1983	228	52,506	-0.3	48,762	0.2	47,943	0.1	98.3	-0.1
1984	221	52,517	0.0	48,973	0.4	48,373	0.9	98.8	0.5
1985	221	52,916	0.8	49,481	1.0	48,815	0.9	98.7	-0.1
Total Change: 6.0%			2.2%		2.6%		3.2%	0.7%	
Average Annual Change:			0.5%		0.3%		0.8%		

Source: Ontario, Ministry of Health, Hospital Statistics, 1977/78 - 1984/85.

TABLE 1B

APPROVED HOSPITAL BEDS, 1976/77 – 1984/85

	Public/ PNFP	% Change	% of Total	PFP	% Change	% of Total	Total	% Change
1976/77	48,233		98	664		1.4	48,897	
1977/78	48,875	1.3	98.7	642	–3.3	1.3	49,517	1.3
1978/79	48,447	–0.9	98.1	920	43.3	1.9	49,367	–0.3
1979/80	47,510	–1.9	98.1	897	–2.5	1.9	48,407	–1.9
1980/81	47,615	0.2	98.2	897	0	1.8	48,512	0.2
1981/82	48,668	2.2	98.3	847	–5.6	1.7	49,515	2.1
1982/83	48,762	0.2	98.3	829	–2.1	1.7	49,591	0.2
1983/84	48,973	0.4	98.4	817	–1.4	1.6	49,790	0.4
1984/85	49,481	1.0	98.4	817	0	1.6	50,298	1.0
Total Change	2.6%			23%			2.9%	
Average Annual Change	0.3%			3.6%			0.4%	

STAFFED HOSPITAL BEDS, 1976/77 – 1984/85

1976/77	47,286		98.6	664			47,950	
1977/78	48,283	2.1	98.7	643	–3.2	1.3	48,926	2.0
1978/79	47,922	–0.7	98.1	909	41.4	1.9	48,831	–0.2
1979/80	47,156	–1.6	98.1	893	–1.8	1.9	48,049	–1.6
1980/81	47,484	0.7	98.2	892	–0.1	1.8	48,376	0.7
1981/82	47,879	0.8	98.3	842	–5.6	1.7	48,721	0.7
1982/83	47,943	0.1	98.3	829	–1.5	1.7	48,772	0.1
1983/84	48,373	0.9	98.3	816	–1.6	1.7	47,189	–1.2
1984/85	48,815	0.9	98.4	817	0.1	1.6	49,632	3.0
Total Change	3.2%			23%			3.5%	
Average Annual Change	0.4%			3.5%			0.4%	

Source: Ontario, Ministry of Health, Hospital Statistics, 1976–1984/85.

TABLE 2

CAPACITY IN ACCREDITED PRIVATE-FOR-PROFIT HOSPITALS, 1977-1985

Year	Number of Hospitals	Rated Beds	%	Approved Beds	%	Staffed Beds	%	Staffed as % of Approved	% Change
1977	26	664		664		664	—	—	—
1978	26	642	-3.3	642	-3.3	643	-3.2	100.2	—
1979	22	920	43.3	920	43.3	909	41.4	98.8	-1.3
1980	21	897	-2.5	897	-2.5	893	-1.8	99.6	0.8
1981	20	897	0.0	897	0.0	892	0.1	99.4	0.0
1982	19	847	-5.6	847	-5.6	842	-5.6	99.4	0.0
1983	18	829	-2.1	829	-2.1	829	-1.5	100.0	0.6
1984	17	817	-1.4	817	-1.4	816	-1.6	99.9	-0.1
1985	17	817	0.0	817	0.0	817	0.1	100.0	-0.1
Total Change:			-34.6%		23.0%		27.3%	23.0%	-0.2%
Average Annual Change:			3.5%		4.5%		3.5%	0.0%	

Source: Ontario, Ministry of Health, Hospital Statistics, 1977/78 - 1984/85.

TABLE 3

Hospital Expenditures in Ontario, 1975-85 (in millions of $)

	Hospital Expend-itures	% Change	Hospital Expend-itures Constant $ (1981=100)	% Change	Total** Health Care Expend-itures	Hospital Expenditures as a % of Total Health Care Expend-itures
1975	2,051.9		3,507.5		3,019.	68.0
1976	2,400.3	17.0	3,816.1	8.8	3,386.	70.9
1977	2,538.5	5.8	3,738.6	-2.0	3,667.	69.2
1978	2,692.3	6.1	3,643.2	-2.6	3,963.	67.9
1979	2,806.3	4.2	3,477.4	-4.5	4,269.	65.7
1980	3,072.7	9.5	3,456.4	-0.6	4,897.	62.7
1981	3,637.0	18.4	3,637.0	5.2	5,812.	63.6
1982	4,253.5	17.0	3,838.9	5.6	6,768.	62.8
1983	4,759.8	11.9	4,061.3	5.8	7,583.	62.8
1984	5,161.1	8.4	4,220.0	3.9	8,343.	61.9
1985*	5,509.9	6.8	4,331.7	2.6	9,264.	59.5
1986/87*					9,970.	

* provisional figures

** figures are for fiscal year

Source: Compiled from - Canada, Department of National Health and Welfare, unpublished data

Hospital Operating Revenue -- Sources of Revenue, 1976 - 1984/85

Year	Ministry Of Health*	Federal Government	Workers' Compensation	Non-Residents	Uninsured Resident	IRNRM**	Total Operating Revenue
1976**	1,589,631,345	1,482,393	20,515,130	34,484,818	4,002,821	465,643	1,650,631,345
1977/78	2,423,582,938	11,178,102	34,578,283	48,459,402	18,214,525	783,562	2,536,796,812
1978/79	2,030,537,887	16,683,310	28,975,306	44,368,428	17,972,019	423,971	2,136,960,921
1979/80	2,164,557,380	17,283,800	29,347,182	47,430,768	20,397,518	438,255	2,279,454,903
1980/81	2,456,784,444	16,074,127	30,061,105	54,023,272	24,061,238	680,763	2,581,684,349
1981/82	2,898,538,679	17,920,684	33,484,927	65,849,668	27,958,045	704,634	3,044,456,636
1982/83	3,435,286,580	19,113,845	36,229,952	75,869,833	35,994,829	837,206	3,603,332,245
1983/84	3,795,487,488	19,685,782	40,628,210	85,537,686	39,040,805	1,106,585	3,981,486,556
1984/85	4,105,380,180	20,536,235	47,333,301	86,477,077	44,657,542	837,260	4,305,221,595

Sources of Revenue as % Share of Total Revenue, 1976 - 1984/5

Year	Ministry of Health	Federal Government	Workers' Compensation	Non-Resident	Uninsured Resident	IRNRM
1976	96.30	0.09	1.24	2.09	0.24	0.03
1977/78	95.50	0.44	1.37	1.92	0.73	0.03
1978/79	95.02	0.78	1.35	2.08	0.84	0.02
1979/80	94.96	0.76	1.29	2.08	0.89	0.02
1980/81	95.16	0.62	1.16	2.09	0.93	0.03
1981/82	95.21	0.59	1.10	2.16	0.92	0.02
1982/83	95.33	0.52	1.04	2.10	0.99	0.02
1983/84	95.33	0.49	1.02	2.15	0.98	0.03
1984/85	95.36	0.48	1.10	2.01	1.04	0.02

* This category includes approved allocations (for in-patients, emergency therapy and organized out-patient departments) and medical billings.

** Insured residents not responsibility of the Ministry of Health

Source: Compiled from Ontario Ministry of Health, Annual Hospital Statistics

Changes in Sources for Hospital Operating Revenue, 1976 - 1984/85

% Change Over Preceding Year	Ministry Of Health*	Federal Government	Workers' Compensation	Non-Residents	Uninsured Resident	IRNRMoe	Total Operating Revenue
1977/78	52.5%	654.1%	68.6%	40.5%	355.0%	68.3%	53.7%
1978/79	-16.2%	49.2%	-16.2%	-8.4%	-1.3%	-45.9%	-15.8%
1979/80	6.6%	3.6%	1.3%	6.9%	13.5%	3.4%	6.7%
1980/81	13.5%	-7.0%	2.4%	13.9%	18.0%	55.3%	13.3%
1981/82	18.0%	11.5%	11.4%	21.9%	16.2%	3.5%	17.9%
1982/83	18.5%	6.7%	8.2%	15.2%	28.7%	18.8%	18.4%
1983/84	10.5%	3.0%	12.1%	12.7%	8.5%	32.2%	10.5%
1984/85	8.2%	4.3%	16.5%	1.1%	14.4%	-24.3%	8.1%
Total Change 1976 - 1984/85	158.3%	1285.3%	130.7%	150.8%	1015.7%	79.8%	160.8%
Average Annual Change	13.9%	90.7%	13.0%	13.0%	56.6%	13.9%	14.1%
Average Annual Change 1979/80 - 1984/85	12.5%	3.7%	8.7%	12.0%	16.5%	14.8%	12.5%

* This category includes approved allocations (for in-patients, emergency therapy and organized out-patient departments) and medical billings.

** Insured residents not responsibility of the Ministry of Health

Source: Compiled from Ontario Ministry of Health, Annual Hospital Statistics

Table 6

Hospital Operating Revenue -- Sources of Revenue in Constant (1981) Dollars, 1976 - 1984/85

Year	Ministry Of Health*	Federal Government	Workers' Compensation	Non-Residents	Uninsured Resident	IRNRM**	Total Operating Revenue
1976	2,527,235,843	2,356,746	32,615,469	54,824,830	6,363,785	740,291	2,624,215,175
1977/78	3,569,341,588	16,462,595	50,925,306	71,368,781	26,825,515	1,153,994	3,736,077,779
1978/79	2,747,683,203	22,575,521	39,208,804	60,038,468	24,319,376	573,709	2,891,692,721
1979/80	2,682,227,237	21,417,348	36,365,777	58,774,186	25,275,735	543,067	2,824,603,349
1980/81	2,763,537,057	18,081,133	33,814,516	60,768,585	27,065,510	765,763	2,904,032,564
1981/82	2,898,538,679	17,920,684	33,484,927	65,849,668	27,958,045	704,634	3,044,456,636
1982/83	3,180,820,907	17,698,005	33,546,252	70,249,845	33,328,545	775,191	3,336,418,745
1983/84	3,238,470,553	16,796,742	34,665,708	72,984,374	33,311,267	944,185	3,397,172,829
1984/85	3,356,811,267	16,791,688	38,702,617	70,708,975	36,514,752	684,595	3,520,213,896

* This category includes allowable allocations (for in-patients, emergency therapy and organized out-patient departments) and medical billings.

** Insured residents not responsibility of the Ministry of Health.

Source: Compiled from Ontario Ministry of Health, Annual Hospital Statistics

Table 7

Changes in Sources for Hospital Operating Revenue, in Constant (1981) Dollars, 1976 - 1984/85

Change Over Preceding Year	Ministry Of Health*	Federal Government	Workers' Compensation	Non-Residents	Uninsured Resident	IRNRM**	Total Operating Revenue
1977/78	41.2%	598.5%	56.1%	30.2%	321.5%	55.9%	42.4%
1978/79	-23.0%	37.1%	-23.0%	-15.9%	-9.3%	-50.3%	-22.6%
1979/80	-2.4%	-5.1%	-7.3%	-2.1%	3.9%	-5.3%	-2.3%
1980/81	3.0%	-15.6%	-7.0%	3.4%	7.1%	41.0%	2.8%
1981/82	4.9%	-0.9%	-1.0%	8.4%	3.3%	-8.0%	4.8%
1982/83	9.7%	-1.2%	0.2%	6.7%	19.2%	10.0%	9.6%
1983/84	1.8%	-5.1%	3.3%	3.9%	-0.1%	21.8%	1.8%
1984/85	3.7%	0.0%	11.6%	-3.1%	9.6%	-27.5%	3.6%
Total Change 1976 - 1983/84	32.8%	612.5%	18.7%	29.0%	473.8%	-7.5%	34.1%
Average Annual Change	4.9%	76.0%	4.1%	3.9%	44.4%	4.7%	5.0%
Average Annual Change 1979/80 - 1984/85	3.5%	-4.7%	0.0%	2.9%	7.2%	5.3%	3.4%

* This category includes allowable allocations (for in-patients, emergency therapy and organized out-patient departments) and medical billings.
** Insured residents not responsibility of the Ministry of Health.

Source: Compiled from Ontario Ministry of Health, Annual Hospital Statistics

Table 8

Capital Expenditures in Health Care, Ontario, 1975 to 1985 (in millions of dollars)

	Capital Expenditures	% Change	Cost in Constant $ (1981=100)	% Change
1975	190.1		325.0	
1976	192.5	1.3%	306.0	-5.8%
1977	207.0	7.5%	304.9	-0.4%
1978	243.6	17.7%	329.6	8.1%
1979	251.3	3.2%	311.4	-5.5%
1980	290.7	15.7%	327.0	5.0%
1981	320.2	10.1%	320.2	-2.1%
1982	434.6	35.7%	392.2	22.5%
1983	542.7	24.9%	463.1	18.1%
1984*	605.4	11.6%	495.0	6.9%
1985*	569.7	-5.9%	447.9	-9.5%
Total Change 1975 - 1985		199.7%		37.8%
Average Annual Change		12.2%		3.7%

* provisional figures

Note: "Constant Dollars" refers to the deflating of these figures by the Consumer Price Index in order to indicate the real changes which have occurred in expenditures, (i.e. not those which occurred solely due to inflation of prices).

Source: Compiled from - Canada. Department of National Health and Welfare, unpublished data

TABLE 9

TOTAL VALUE CONTRACTED OUT SERVICES,
ONTARIO HOSPITALS, 1976/77 – 1983/84*

(000's)

Year	Total Value of Contracted Service	% Change	Cost in Constant Dollars (1981=100)	% Change	Total Operating Revenue (1981=100)	Contracted Service as % of Total Operating Revenue
1976/77	51,500		81,876		2,624,215	3.1
1977/78	60,250	17.0	88,733	8.4	3,736,078	2.4
1978/79	68,517	13.7	92,716	4.5	2,891,693	3.2
1979/80	73,569	7.4	91,164	–1.7	2,824,603	3.2
1980/81	81,925	11.4	92,154	1.1	2,904,033	3.2
1981/82	97,622	19.2	97,622	5.9	3,044,457	3.2
1982/83	107,134	9.7	96,691	–1.0	3,336,419	2.9
1983/84	120,960	12.9	103,208	6.7	3,397,173	3.0

*excludes private–for–profit hospitals

Total Change 1976/77–1983/84:	134.9%	26.1%	29.5%
Average Annual Change:	13.0%	3.4%	3.5%

Sources: Statistics Canada, Health Division, unpublished data, December 1986

and

Ontario, Ministry of Health, Hospital Statistics, 1976/77 – 1983/84.

Table 10

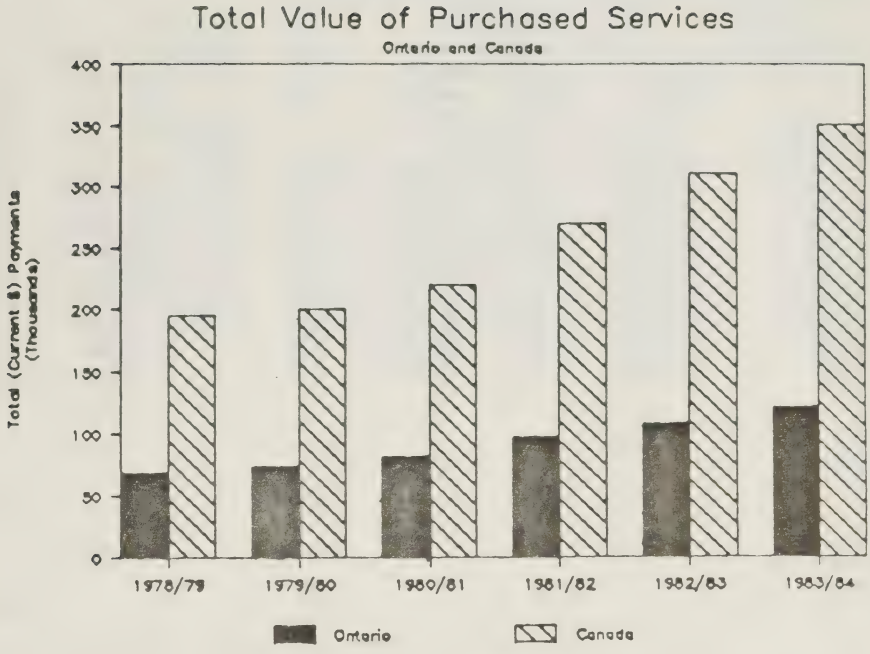

Total Value of Purchased Services
Ontario and Canada
Total (Current $) Payments (Thousands)
400
350
300
250
200
150
100
50
0
1978/79
1979/80
1980/81
1981/82
1982/83
1983/84
Ontario
Canada

Table 11 Total Value of Contracted Out Laundry Services - Ontario Hospitals (excluding private-for-profit hospitals)

Laundry and Linen Services, in current* and constant (1981) dollars

	Purchased Linen Service	% change	Cost in constant $ (1981=100)	% change	Total Gross Operating Costs	% change	Purchased Services as % of Total Laundry Costs
1976	22,643,924		35,399,879		47,501,989		47.7%
1977/78**	31,772,317	40.3%	46,792,809	30.0%	65,212,487	37.3%	48.7%
1978/79	27,048,250	-14.9%	36,601,150	-21.8%	55,266,754	-15.3%	48.9%
1979/80	29,200,560	8.0%	36,184,089	-1.1%	57,748,961	4.5%	50.6%
1980/81	31,213,002	6.9%	35,110,238	-3.0%	62,769,304	8.7%	49.7%
1981/82	35,233,788	12.9%	35,233,788	0.4%	71,939,451	14.6%	49.0%
1982/83	37,336,504	6.0%	33,697,206	-4.4%	78,378,926	9.0%	47.6%
1983/84	42,037,809	12.6%	35,868,438	6.4%	84,206,021	7.4%	49.9%
1984/85	45,640,385	8.6%	37,318,385	4.0%	89,886,648	6.7%	50.8%
Total Change 1976 - 1984/5		101.6%		3.7%		89.2%	
Average Annual Change		10.04%		1.32%		9.12%	

* All figures are expressed in current dollars unless otherwise indicated.
** Entries for this year cover the period January 1,1977 to March 31,1978, i.e. 15 months.

Source: Compiled from Annual Return of Hospitals, Part One, unpublished data.

Table 12 Total Value of Contracted Out Maintenance Services - Ontario Hospitals
(Excluding private-for-profit hospitals)

Operating & Maintenance Services, in current dollars only

	Purchased Security Service	% change	Purchased Maintenance & Repairs	% change	Total Gross Operating & Mntnce. Costs	% change	Total Purchased Services as % of Total Operating & Maintenance Costs
1976	3,873,544		10,298,417		116,307,899		12.2%
1977/78*	5,362,080	38.4%	16,326,642	58.5%	169,698,600	45.9%	12.8%
1978/79	4,899,395	-8.6%	15,129,596	-7.3%	148,447,376	-12.5%	13.5%
1979/80	5,215,876	6.5%	16,024,825	5.9%	158,372,151	6.7%	13.4%
1980/81	6,075,908	16.5%	19,544,357	22.0%	185,058,677	16.9%	13.8%
1981/82	7,090,322	16.7%	22,982,877	17.6%	215,818,352	16.6%	13.9%
1982/83	8,334,907	17.6%	24,177,049	5.2%	240,615,694	11.5%	13.5%
1983/84	8,410,040	0.9%	28,137,023	16.4%	265,655,424	10.4%	13.8%
1984/85	9,103,425	8.2%	33,784,289	20.1%	288,102,206	8.4%	14.9%
Total Change 1976 - 1984/5		135.0%		228.1%		147.7%	
Average Annual Change		12.02%		17.29%		12.99%	

* Entries for this year cover the period January 1,1977 to March 31,1978, i.e. 15 months.

Source: Compiled from Annual Return of Hospitals, Part One, unpublished data.

Table 13 Total Value of Contracted Out Housekeeping Services - Ontario Hospitals (excluding private-for-profit hospitals)

Housekeeping Services, in current and constant (1981) dollars

	Purchased Housekeeping Service	% change	Cost in constant $ (1981=100)	% change	Total Gross Operating Costs	% change	Purchased Services as % of Total Housekeeping Costs
976	6,423,681		10,212,529		86,655,143		7.4%
977/78**	8,630,939	34.4%	12,711,250	24.5%	117,272,875	35.3%	7.4%
978/79	7,532,439	-12.7%	10,192,746	-19.8%	98,576,057	-15.9%	7.6%
979/80	7,621,181	1.2%	9,443,843	-7.3%	103,393,973	4.9%	7.4%
980/81	8,833,511	15.9%	9,936,458	5.2%	116,529,367	12.7%	7.6%
981/82	9,969,034	12.9%	9,969,034	0.3%	134,810,904	15.7%	7.4%
982/83	11,282,197	13.2%	10,182,488	2.1%	152,648,666	13.2%	7.4%
983/84	11,826,741	4.8%	10,091,076	-0.9%	163,350,477	7.0%	7.2%
984/85	12,694,233	7.3%	10,379,585	2.9%	173,884,172	6.4%	7.3%
otal hange 976 - 1984/5		97.6%		1.6%		100.7%	
verage Annual hange 976 - 1984/5		9.61%		0.87%		9.92%	

All figures are expressed in current dollars unless otherwise indicated.
** Entries for this year cover the period January 1,1977 to March 31,1978, i.e. 15 months.

urce: Compiled from Annual Return of Hospitals, Part One, unpublished data.

Table 14 Total Value Contracted Out Dietary Services - Ontario Hospitals (excluding private-for-profit hospitals)

Food Service, in current* and constant (1981) dollars

	Purchased Food Service	% change	Cost in constant $ (1981=100)	% change	Total Gross Operating Costs	% change	Purchased Services as % of Total Dietary Costs
1976	8,915,648		14,174,321		146,968,274		6.1%
1977/78**	10,646,512	19.4%	15,679,694	10.6%	199,108,153	35.5%	5.3%
1978/79	10,591,950	-0.5%	14,332,815	-8.6%	172,653,923	-13.3%	6.1%
1979/80	13,299,284	25.6%	16,479,906	15.0%	183,746,695	6.4%	7.2%
1980/81	15,124,714	13.7%	17,013,177	3.2%	204,258,700	11.2%	7.4%
1981/82	17,269,707	14.2%	17,269,707	1.5%	273,097,873	33.7%	6.3%
1982/83	19,320,630	11.9%	17,437,392	1.0%	259,344,090	-4.8%	7.4%
1983/84	19,776,020	2.4%	16,873,737	-3.2%	277,158,979	6.6%	7.1%
1984/85	19,719,885	-0.3%	16,124,191	-4.4%	293,681,377	6.0%	6.7%
Total Change 1976 - 1984/5		121.2%		13.8%		99.8%	
Average Annual Change 1976 - 1984/5		10.79%		1.88%		10.16%	

* All figures are expressed in current dollars unless otherwise indicated.
** Entries for this year cover the period January 1,1977 to March 31,1978, i.e. 15 months.

Source: Compiled from Annual Return of Hospitals, Part One, unpublished data.

Table 15 Market Concentration of Contracted Out Services 1986

Linen and Laundry Services

Rank (By Value of Contract)	# of Contracts	Total Value of Contracts	Average Value	Market Share
1 Centennial Hospital Linen Services	13	$12,109,827	$931,525	27.1%
2. Mohawk	8	$4,765,000	$595,625	10.7%
3. Booth Avenue	7	$4,434,261	$633,466	9.9%
Total Value Contracted Out:	$44,689,119			
Total Top 3:	$21,309,088:	47.7%		

Housekeeping Services

Rank (By Value of Contract)	# of Contracts	Total Value of Contracts	Average Value	Market Share
1 Modern Building Cleaning Co.	10	$5,847,412	$584,741	47.6%
2. Crothall	5	$1,309,017	$261,803	10.7%
3. Service Master	5*	$1,290,255	$258,051	10.5%
4. VS	5	$628,497	$125,699	5.1%
Total Value Contracted Out:	$12,289,021			
Total Top 4:	$ 9,075,181:	73.9%		

* Service Master has 7 contracts but 3 of them did not have amounts because the total cost will not be determined until year end based on a % of savings.

Source: Ontario, Ministry of Health, hospital survey, August, 1986

Table 15 Market Concentration of Contracted Out Services 1986

Dietary Services

Rank (By Value of Contract)	# of Contracts	Total Value of Contracts	Average Value	Market Share
1 Versa	28	$20,007,166	$714,542	59.2%
2. Hospital Food Services Ontario Inc.	3	$2,141,000	$713,666	6.3%
3. Beaver Foods	9	$1,213,563	$134,840	3.6%
4. Saga	4	$1,165,492	$291,373	3.4%
5. Hospital Dietary Services	15	$729,472	$48,631	2.2%
Total Value Contracted Out:	$33,793,565			
Total Top 5:	$25,256,693: 74.7%			

Security

Rank (By Value of Contract)	# of Contracts	Total Value of Contracts	Average Value	Market Share
1 Burns International	14	$1,106,300	$79,021	19.6%
2. CCC	8	$599,582	$74,948	10.6%
3. Securicon	4	$577,768	$144,442	10.2%
4. Pinkerton	6	$370,000	$61,667	6.5%
5. Universal	4	$269,172	$67,293	4.8%
Total Value Contracted Out:	$5,646,478			
Total Top 5:	$2,922,822: 51.7%			

Source: Ontario, Ministry of Health, hospital survey, August 1986

CATEGORY III – BETWEEN 5% – 40% FOR–PROFIT ACTIVITY

1) EMERGENCY HEALTH SERVICES

Ministry Division: Emergency and Special Health Services

Legislation: Ambulance Act, Health Insurance Act

Clientele: general public

Program Description: Provides rapid response emergency treatment and transportation to emergency patients.

Number of Facilites

Total Land:		182	
Public Sector	municipal	5	(2.7%)
	Ministry	9	(5.0%)
		14	(7.7%)
Private–not–for–profit:	hospital	65	(35.7%)
	volunteer	32	(17.6%)
		97	(53.3%)
Private–for–profit:		71	(39.0%)

Air ambulance services are delivered by 5 Ministry of Health programs (Sioux Lookout/Timmins/Thunder Bay/Sudbury/Buttonville). The Ministry does use private–for–profit companies when necessary. There are 25 of these firms who are on call for the Ministry.

Methods of Approval and/or Accreditation

The Ministry of Health licenses services. The Ambulance Act and its Regulations set out the terms and conditions for licensing standards for vehicles and equipment and the qualifications for drivers and attendants. The Minister has the power to revoke or suspend a license.

Inspections

All vehicles are maintained to meet provincial standards and are inspected on a regular basis.

Accountability

All services must report statistical and financial information to the Ministry of Health. All budgetary expenditures must be approved by the Ministry of Health.

Expenditures

Total:	$131,874,700	
	100,301,000	land
	31, 573,700	air
Public Sector:	25,309,000	municipal
(land only)	11,867,000	Ministry
	$37,176,000	(37.1%)
Private-not-for-profit:	1,084,000	volunteer
(land only)	22,475,,000	hospital
	23,559,000	(23.5%)
Private-for-profit:	$39,566,000	(39.4%)
(land only)		

Funding

The Ministry of Health funds 100% of all services and provides all vehicles and telecommunications equipment. The only exception to this is in Metro Toronto where the City supplies its own vehicles and equipment and the Ministry of Health funds 75% of approved costs.

Private operators receive payment for managing an operation based on the number of hours of management provided. Service operations budgets are separate and are subject to line-by-line budgeting and auditing.

Charges

All services are an insured benefit under OHIP.

Service Statistics

# of Calls – 776,024 – land – 763,616
air – 12,408

2) ONTARIO HOME CARE PROGRAM

Ministry Division: Community Health Programs Branch

Legislation: Health Insurance Act, Education Act

Clientele: Seniors and mentally and physically handicapped individuals referred by a physician.

Program Description: patient care in the home or school setting.

Number of Facilities

Total:	38 agencies purchase home care on behalf of the Ontario Home Care Program	
Public sector:	30 Public Health Units	(78.9%)
Private–not–for–profit:	4 V.O.N.	(10.5%)
	3 Hospitals	(7.9%)
	1 Other	(2.6%)
	8	(21.1%)
Private–for–profit:	0	

Comparisons of nursing and homemaking are difficult because nursing data is collected in visits and homemaking data are collected in hours. According to the Ministry of Health, nursing has historically been purchased on a per visit basis. In 1978, when the Home Care Program Information System was initiated, it was determined that this method of reporting would be continued.

Furthermore, it should be noted that there are two types of home care programs. The acute home care program allows up to 80 hours of service per admission to the program and the chronic home care program allows up to 80 hours of service per client in the first month and up to 40 hours of service per client in subsequent months.

Methods of Approval and/or Accreditation

Program eligibility is outlined in the Ministry of Health's Home Care Program Policies and Procedures Manual. The patient's physician makes a referral to the local Home Care Program. The patient is assessed by a program case manager and an individual care plan is prepared. The frequency and mix of services can be adjusted according to changes in the patient's condition.

Inspections

The Home Care Program does not have a formal inspection process.The Ministry of Health investigates any complaints it may receive. (See Accountability)

Accountability

Day–to–day administration of Home Care Programs is the responsibility of autonomous local agencies. Regular case reviews are carried out every month and reassessments are conducted every 2 months through home visits by the case manager.

Complaints are made to the case manager. Complaints about the case manager are made to the local Home Care Director or the Chief Executive Officer of the administering agency. Each program has a medical advisor who is responsible for responding to complaints about attending phsycians.

Statistics regarding the nature and number of complaints were not available from the Ministry of Health who stated that "as complaints are of a personal or confidential nature, there is no requirement by the Ministry of Health to provide statistical data."

Expenditures

$154,816,810

Changes in provincial expenditures for home care assistance accentuate the expansion in home–making services and nursing visits. While total health care expenditures have (in nominal terms) increased three–fold from 1976 to 1986/87, home care expenditures have increased nearly ten times in the same period, from $17 million to $166 million. (See Table 1)

This can not be accounted for simply by the large differences in the base starting point for the two categories. Such growth represents a shift in expenditure priorities. This can be most clearly seen in the proportion of provincial expenditures accounted for by home care. While it still constitutes a very small percentage of total health expenditures, home care's proportion has grown quite significantly in the last ten years. In 1976, the Province spent only half a percentage point on home care. By 1986/87, this has increased to nearly two percent.

Funding

The Ministry of Health funds 100% of approved program budgets.

Charges

For clients eligible for home care as outlined in the Ministry's program manual, home care services are an insured benefit under OHIP.

Patterns of Ownership

Nursing: – 99.5% of visits are purchased from the private–not–for–profit sector

– 0.5% of visits are purchased from the private– for–profit sector

Homemaking: – 76.1% of hours of service are purchased from the private–not–for–profit sector

– 23.9% of hours of service are purchased from the private–for–profit sector

Service Statistics

# of Patients – 186,000 of which 61% are 65 years of age and over

# of Hours/Visits – See Tables 2 and 3.

Both nursing visits and homemaking services increased from 1978 to 1985. Total number of nursing visits increased 150%, from 896,586 in 1978/79 to 2,248,291 in 1984/85. In 1978/79 the total number of hours of homemaking services increased 214% in the same period from 1,201,645 in 1978/79 to 3,779,414 in 1984/85. In both cases, a large portion of the increases are accounted for in the last two reporting periods.

Nursing Visits

In 1978/79, private-not-for-profit agencies provided nearly 100% of all nursing visits. By comparison, private-for-profit agencies had only 39 visits out of a total of nearly 900,000 for that year. In rounded percentage terms, this represents a figure so small that it registers zero.

While the not-for-profit agencies showed a relatively steady increase in number of visits, for-profit agencies demonstrated sporadic growth. Most of the for-profit sector's growth appeared after the 1980/81 reporting period. After 1980/81 the number of visits provided by for-profit agencies increased at a rate ten times greater than those provided by not-for-profit agencies.

For-profit agencies have increased their market share from 0% in 1978/79 to 0.5% in 1984/85. Correspondingly, the not-for-profit agencies have decreased their market share from 100% in 1978/79 to 99.5% in 1984/85. (See Table 2)

Given the established nature of the not-for-profit sector in providing nursing services, it is likely that any further expansion of for-profit activity in this area would result from an expansion of the total number of services rather than from a shift in market share.

Homemaking Hours

For-profit agencies went from 18% of the market in 1978/79 to 23.9% of the market in 1984/85, which represents an increase of 5.9%. Not-for-profit agencies decreased their market share 5.9%, from 82% in 1978/79 to 76.1% in 1984.85. (See Table 3)

In 1984/85 the share of the homemaking market given to for-profit agencies (23.9%) was considerably larger than the for-profit market share of nursing visits for the same period (0.5%).

Average Length of Stay

(1984/85) – acute care program – 30 days
– chronic care program – 123 days

For the chronic care program over 60% of patients have the following services:

nursing – 6 visits per month (1 hour visits)
therapy – 3 visits per month (2 hour visits)
homemaking – 21 visits per month
physiotherapy – 3 visits per month (1 hour visits)

Program staff: there are 567 full–time case managers across the province.

TABLE 1

Home Care Assistance - Provincial Expenditures, 1976/77 - 1986/87
(in millions of $)

	Health Expenditures	% of Change	Home Care Assistance Expenditures	% of Change	Home Care Expenditures as % of Health Expenditures
1976/77	3,386	12.2	17	-	0.5
1977/78	3,667	8.3	21	23.5	0.6
1978/79	3,963	8.1	26	23.8	0.7
1979/80	4,269	7.7	35	34.6	0.8
1980/81	4,897	14.7	47	34.3	1.0
1981/82	5,812	18.7	67	42.6	1.2
1982/83	6,768	16.4	86	28.4	1.3
1983/84	7,583	12.0	102	18.6	1.3
1984/85	8,343	10.0	131	28.4	1.6
1985/86	9,264	11.0	154	17.6	1.7
1986/87*	9,970	7.6	166	7.8	1.7
TOTAL CHANGE:	6,584	194.4	149	876.5	

Sources: Ontario, Ministry of Treasury and Economics, Public Accounts, 1976/77 to 1985/86.

Ontario, Management Board of Cabinet, Expenditure Estimates, 1986/87.

* Estimated

Table 2

NURSING VISITS BY FOR-PROFIT AND NOT-FOR-PROFIT AGENCIES

1978/79 - 1984/85

	Profit Agencies			Non-Profit Agencies				
	Number of Visits	% Change	Market Share	Number of Visits	% Change	Market Share	Total Nursing Visits	% Change
1978/79	39		0.0%	896,550		100.0%	896,586	
1979/80	170	335.9%	0.0%	1,103,658	23.1%	100.0%	1,103,828	23.1
1980/81	43	-74.7%	0.0%	1,277,842	15.8%	100.0%	1,277,885	15.8%
1981/82	2,014	4583.7%	0.1%	1,561,715	22.2%	99.9%	1,563,729	22.4%
1982/83	2,259	12.2%	0.1%	1,663,274	6.5%	99.9%	1,665,533	6.5%
1983/84	4,130	82.8%	0.2%	1,759,253	5.8%	99.8%	1,763,383	5.9%
1984/85	11,932	188.9%	0.5%	2,236,359	27.1%	99.5%	2,248,291	27.5%
Total Change 1978/79 - 1984/85		30494.9%	0.5%		149.4%	-0.5%		150.8%
Average Annual Change		854.8%			16.7%			16.9%

Note: Ontario Home Care Information Systems was only initiated in April 1978

Source: Compiled from Ministry of Health, Information and Systems Division, unpublished data, November 1986.

Table 3

HOMEMAKING HOURS BY FOR-PROFIT AND NOT-FOR-PROFIT AGENCIES

1978/79 - 1984/85

	Profit Agencies			Non-Profit Agencies			Total Number of Hours of Service	% Change
	Number of Hours	% Change	Market Share	Number of Hours	% Change	Market Share		
1978/79	216,464		18.0%	985,182		82.0%	1,201,645	
1979/80	332,523	53.6%	20.6%	1,282,882	30.2%	79.4%	1,615,404	34.4%
1980/81	462,955	39.2%	24.1%	1,461,493	13.9%	75.9%	1,924,448	19.1%
1981/82	574,973	24.2%	22.8%	1,952,206	33.6%	77.2%	2,527,180	31.3%
1982/83	611,835	6.4%	22.8%	2,067,618	5.9%	77.2%	2,679,453	6.0%
1983/84	591,462	-3.3%	20.4%	2,303,954	11.4%	79.6%	2,895,417	8.1%
1984/85	904,203	52.9%	23.9%	2,875,211	24.8%	76.1%	3,779,414	30.5%
Total Change 1978/79 - 1984/85		317.7%	5.9%		191.9%	-5.9%		214.5%
Average Annual Change		28.8%			20.0%			21.6%

Note: Ontario Home Care Information Systems was only initiated in April 1978

Source: Compiled from Ministry of Health, Information and Systems Division, unpublished data, November 1986.

CATEGORY IV – GREATER THAN 40% FOR–PROFIT ACTIVITY

1) LABORATORY SERVICES

Ministry Division: Laboratory Services Branch, Community Health

Legislation: Laboratory and Specimen Collection Centre Licensing Act

Clientele: general public

Program Description: Laboratory services

Number of Facilities

Total:	410 laboratories	276	specimen collection centres
Public sector:	12 public health labs (2.9%)	0	
Private–not–for profit:	223 hospital labs 1 lab in HSO	27	specimen collection centres
	224 labs (54.5%)		(9.8%)
Private–for–profit:	174 commercial labs (42.4)	249	specimen collection centres (90.2%)

Over the period under review, the number of hospital laboratories has stayed constant at approximately 223, while the number of private (commercial) facilities has decreased from 265 to 175. (See Table 1) In the last two years only one new corporation received approval to purchase an existing laboratory with 2 collection centres.

The number of hospital and private (commercial) specimen collection centres have increased over time, increasing from 11 to 27 and from 199 to 249, respectively. (See Table 1)

Methods of Approval and/or Accreditation

The Licensing Act does not require specific qualifications for laboratory owners; however, in applying for a license a laboratory must have a medical director. Furthermore, a "public interest evaluation report" must be prepared to assist the Minister of Health in granting a license. The report must contain such information as the number of facilities in the area, the scope of testing and the availability of transportation for patients and specimens. The Minister must also take into account the availability of OHIP funds.

Laboratory owners must also provide articles of incorporation, names and addresses of officers and directors, any convictions under criminal law and the scientific qualifications of scientific staff.

There is an annual renewal of licenses if compliance with the Act and Regulations is shown. The Minister has the power to suspend or revoke a license.

Inspections

There are two types of inspections of laboratories undertaken by the Ministry: to ensure public health standards and to monitor performance of testing procedures and those undertaken by the Ministry in response to complaints.

a) Ministry Inspections

The Laboratory Inspection Branch undertakes routine inspections to ensure compliance with the Licensing Act and with public health standards.

The Laboratory Proficiency Test Program (LPTP) monitors each laboratory's testing proficiency. A joint committee of the Ontario Medical Association and the Ministry of Health co–ordinate the program. The LPTP send sample specimens to each laboratory. Each laboratory then runs the tests it is licensed to perform on the sample and sends it back to the Ministry. If a laboratory's results are outside the appropriate range, the reasons for the discrepancy are identified and follow–up testing is conducted until the Ministry is satisfied the problem has been resolved. Declaration of non–proficiency does not imply the revoking of a license.

There does not appear to be any pattern in violations in non–proficiency as identified through the LPTP. Table 2 indicated trends in the declaration of non–proficient labs, analyzed by market sector. However, it does appear that "public laboratories;" that is, non–commercial laboratories, are marginally more prone to be declared non–proficient than private–for–profit laboratories.

Non–proficiency has led to one license being revoked although 4 laboratories have closed voluntarily since 1976.

b) Complaints

There are three types of complaints which the Ministry of Health investigates: dissatisfaction with facilities, reports of unlicensed facilities and improper reporting in the LPTP.

The Ministry of Health reports that the majority of complaints from the general public are the following: patient dissatisfaction with treatment while having blood taken, inaccurate test results, and neglected or untidy facilities.

Each time there is a complaint, a report is done by the Laboratory Inspection Branch which is sent to the owner who in turn must reply in writing regarding corrective measures.

Information on six complaints was provided by the Ministry for 1986.

A second type of investigation concerns complaints with unlicensed facilities. Generally, these involve legally qualified medical practitioners who perform tests exclusively for the purpose of treating their own patients. The Ministry of Health has reported 2 such complaints for 1986.

In 1985, the Ministry reported 7 such complaints of which there were 2 prosecutions. In one case (Kipling Medical Laboratory in Toronto) the charges were dropped based on "previous court decisions and advice of legal counsel" and in the other (Physicians' Laboratory Services in Mississauga) was found not guilty of operating an unlicensed centre. The Ministry of Health is appealing the decision.

A third type of investigation is undertaken over improper reporting in proficiency examinations (LPTP). The Ministry of Health states that no laboratories were reported non-proficient by the LPTP in 1986. In 1985, the Ministry of Health reports one case of improper reporting (Chemistry section of Physicians' Reference Laboratories in Toronto). The Laboratory Review Board reviewed the case and ruled that the results were indeed being improperly reported. On December 1, 1986 the Board revoked the laboratory's license.

Accountability

Licensing reviews, LPTP, and the Laboratory Review Board all have procedures in place for reporting and monitoring of standards.

Expenditures

$538,800,000	–	$13.8m to public health labs (2.6%)
(84/85)		$318m to hospital labs (59%)
		$207m to private labs (38.4%)

Over a ten year period, nominal dollar payments to laboratories in Ontario have more than tripled, from $156 million in 1975 to $539 million in 1985. However, different sectors of the market for laboratory services grew at different rates. (See Table 3)

Public health laboratories make up the smallest share of the market. Even though payments to this sector doubled between 1975 and 1985, the total market for laboratory services expanded at a higher rate. This resulted in a loss from 4% to 2.6% of this sector's share of revenue.

Hospital laboratories (private–not–for–profit) have also grown quite rapidly but they have not kept up with the general expansion of the market. Dollar payments to hospital laboratories tripled since 1975 but their proportionate share of the market has been steadily decreasing. While this category accounts for the largest share of the market, hospital laboratories receive only 59% of dollar payments to laboratories, down from 67% in 1975. (See Table 3)

Commercial laboratories (private–for–profit) have surpassed the average total growth in the market, increasing their revenue from $45.8m in 1975 to $207m in 1985. They have therefore picked up the share of the market lost by hospital and public health laboratories – almost a 10% share during the last eleven years. This category now comprises 38.4% of the dollar payments in laboratory services.

Included with commercial labs under the classification of private laboratories are physician billed services. As can be seen from Table 4, they constitute a very small and stable proportion of the market in private–for–profit laboratory services. Over 90% of the work conducted in the for–profit sector is carried out by commercial laboratories. Growth in physician billed services was more rapid at the beginning of the period, but changes in the volume of service performed in physicians' offices parallel the growth of services in commercial laboratories.

(With reference to Table 4, it should be noted that Ministry of Health files do not permit isolation of data pertaining to physicians' services prior to 1979. In addition, caution should be exercised in utilizing data reported for the period 1979 to 1981 as the reporting periods are not synchronized (May though April and March through April) and earlier data are approximations derived from a sample OHIP Services Location Study conducted on the claims file).

Costs

The Ministry of Health does not keep centralized information on the operating or capital costs of laboratories. Furthermore, the Ministry of Health does not keep information on profit levels of companies owning laboratories other than the annual reports of companies with publicly traded shares.

Funding

Public health laboratories operate on an annual budget from the Ministry of Health.

Hospital laboratories are funded on a global basis as part of the hospital budget.

Private laboratories are reimbursed by OHIP using LMS rates. The rates are based on the labour, material and supervision (LMS) that goes into a specific test. An LMS unit number is assigned to each test and then mulitiplied by the dollar amount for an LMS unit.

Reimbursement is as follows: 100% of the fee for the first 150,000 LMS units, 75% for the next 50,000 units and 50% over 200,000 units.

Charges

There are no charges made to users of laboratory services.

Patterns of Ownership

In 1985 the commercial (private–for–profit) sector owned 42.4% of all laboratories and 90.2% of all specimen collection centres. This sector performed 31.2% of all tests and received 38.4% of all OHIP payments to laboratories.

The Ministry of Health receives some ownership information through the annual license renewal procedure. However, as the Ministry does not have information on whether corporations are public or private, Canadian or foreign, a questionnaire was sent to all corporations owning commercial laboratories asking the following:

- whether shares were owned by Canadian or foreign investors
- whether shares were publicly traded or privately owned
- what proportions of shares were owned by physicians

56 corporations responded to the questionnaire with one Laboratory refusing information. Of the remaining 55 responses, 3 companies had publicly traded shares (Extendicare, Kopp Laboratories, MDS Health Groups Ltd.), with the remaining 52 having common shares 100% privately owned. Five companies had shares owned by foreign investors (Extendicare Health Services – 1.6% foreign, Kopp Laboratories – 100% owned by Smith, Kline and Beckman, Philadelphia, MDS Health Group Ltd. – 8.3% foreign, Toronto Clinical Investigation Laboratories Ltd. – 33–1/3% foreign, 257399 Laboratories Ltd. (Middlesex Diagnostics) – 2.5% foreign.)

Twenty–one laboratories had a percentage of their shares owned by physicians ranging from 100% (8 labs) to 5% (1 lab).

The Ministry of Health reports that in 1977, ownership of all commercial laboratories rested in the control of 100 corporations, partnerships or individuals. In 1985, there were 65 owners controlling this sector, 77% of which were corporations.

Corporate Concentration

Despite the growth in dollar payments to commercial (private–for–profit) laboratories, the actual number of laboratories has decreased significantly. From 1976 to 1986 the number of commercial laboratories has been reduced by a third – from 265 to 175. (See Table 1)

Services however have grown steadily, indicating that fewer commercial laboratories are providing more services per laboratory. It can be shown that while in 1979/1980 the average volume of services provided by a commercial laboratory was 122,764 tests, by 1984/85 a commercial laboratory would on average provide almost double that amount at 236,536. (See Table 5)

The trend towards increased concentration of services and payments in fewer laboratories is outlined in Table 6, which shows the top ten laboratory chains in Ontario. It can be seen that corporate concentration has been high and that it has grown steadily in the last eight years to 69.8% of the market in 1985.

By 1985, the top ten chains owned 24.9% of all laboratories, 58.6% of all commercial laboratories, 69.2% of all specimen collection centres and 76.7% of all commercial collection centres; performed 23.2% of all tests and 69.8% of all tests in commercial laboratories; and received 26.9% of all OHIP payments, and 70% of all OHIP payments to commercial laboratories. (See Tables 7 and 7A)

This concentration is made more evident in Table 8 which examines the top five laboratory chains. In 1977, the top five chains held 43.9% of the commercial market. In 1985, the top five chains held 52.1% of the commercial market. The 1985 distribution is not likely to change in the near future as the Ministry of Health has reported that in the last two years only one new corporation received approval to run a laboratory. (It should be noted that this corporation purchased an existing laboratory operation which had one laboratory and two specimen collection centres).

Most significant among the top five laboratories is MDS Health Group Ltd., which has been ranked number one for the last eight years. It has held more than one-fifth of the commercial market and its share within that market has increased from 23% in 1977 to 27% in 1985. Furthermore, this corporation has purchased 17 laboratories since 1977, 9 of which were purchased since 1982. (See Appendix 1)

With the exception of MDS and Cybermedix, which has consistently held the second largest share of the market over this period, there has been considerable movement in the composition of the top five firms.

Service Statistics

# of Tests Performed	–	129,707,036 total	
(84/85)	–	1,303,819 public health labs	(1.0%)
	–	85,590,238 hospital labs	(66.0%)
	–	42,812,979 commercial labs	(33.0%)

Over time, the pattern for volume of service figures is similar to that of dollar payments. In 1977, the public health laboratories performed 2.0% of all tests, hospital laboratories performed 70.3% of all tests and commercial sector performed 27.7% of all tests. By 1985, public health laboratories performed 1.0% of all tests, hospital laboratories performed 66.0% of all tests and the commercial sector had gained to perform 33.0% of all tests. (See Table 9)

Table 1

Laboratories and Specimen Collection Centres - Number of Facilities, 1976 - 1986

	NUMBER OF LABORATORIES			NUMBER OF SPECIMEN COLLECTION CENTRES		
	Hospital	Private	Total	Hospital	Private	Total
1976	223	265	488	11	199	210
1977	223	246	469	15	203	218
1978	222	236	458	15	197	212
1979	221	230	451	15	201	216
1980	222	220	442	16	207	223
1981	222	210	432	21	217	238
1982	219	199	418	26	228	254
1983	219	184	403	26	242	268
1984	220	178	398	26	247	273
1985	222	178	400	26	247	273
1986*	223	175	398	27	249	276
Total Change 1976 - 1986	0.0%	-34.0%	-18.4%	145.5%	25.1%	31.4%

* As at November 30, 1986

Source: Compiled from Ministry of Health, Laboratory Service Branch, unpublished data, November 1986

Table 2

Proportion of Labs Declared Non-Proficient, By Public/Private Sector, 1976 - 1985

	Public Sector	% Change	Private Sector	% Change	Proportion of Non-Proficient Labs in Total Market	% Change
1976	1.3%		0.0%		0.6%	
1977	4.0%	200.0%	1.6%	--	2.8%	359.7%
1978	1.4%	-66.5%	1.3%	-21.8%	1.3%	-53.6%
1979	1.4%	0.5%	0.4%	-65.8%	0.9%	-32.3%
1980	1.8%	32.7%	1.8%	318.2%	1.8%	104.1%
1981	0.9%	-50.0%	2.4%	31.0%	1.6%	-10.5%
1982	2.7%	204.1%	1.5%	-36.7%	2.2%	32.9%
1983	4.6%	66.7%	1.1%	-27.9%	3.0%	38.3%
1984	1.8%	-60.2%	1.7%	55.1%	1.8%	-40.9%
1985	2.7%	48.6%	1.1%	-33.3%	2.0%	13.7%
Total Change 1976 - 1985		100.9%		-30.9%		225.3%
Average Annual Change 1976 - 1985		2.4%		1.4%		45.7%

* The Ministry of Health identifies a non-proficient laboratory as one which is unable to perform certain laboratory procedures at an acceptable level

(1) Public laboratories are operated in hospitals and public health clinics.
(2) Private laboratories are defined as non-hospital, commercial laboratories.

Source: Compiled from Ministry of Health unpublished data, September and November 1986.

Table 3

Laboratories--Distribution of Dollar Payments by Sector, 1974 - 1985

	COMMERCIAL(a)			HOSPITAL(b)			PUBLIC HEALTH(c)			TOTAL PROVINCIAL PAYMENTS
	$(mil)	Market Share (in %)	% change in size	$(mil)	Market Share (in %)	% change in size	$(mil)	Market Share (in %)	% change in size	$(mil)
974/75	45.8	29.3		104.2	66.7		6.2	4.0		156.2
975/76	68.9	34.4	50.4	124.4	62.2	19.4	6.7	3.4	8.1	200.0
976/77	63.3	30.7	-8.1	135.9	65.8	9.2	7.3	3.5	9.0	206.5
977/78	73.1	32.3	15.5	145.4	64.3	7.0	7.5	3.3	2.7	226.0
978/79	87.3	34.4	19.4	158.5	62.5	9.0	8.0	3.1	6.7	253.8
979/80	98.9	35.6	13.3	170.3	61.2	7.4	8.9	3.2	11.3	278.1
980/81	112.4	35.9	13.7	191.3	61.1	12.3	9.5	3.0	6.7	313.2
981/82	129.7	35.6	15.4	225.0	61.7	17.6	10.0	2.7	5.3	364.7
982/83	156.5	36.3	20.7	263.4	61.0	17.1	11.7	2.7	17.0	431.6
983/84	178.9	37.1	14.3	292.3	60.5	11.0	11.6	2.4	-0.9	482.8
984/85	207.0	38.4	15.7	318.0	59.0	8.8	13.8	2.6	19.0	538.8
otal Change n Market Share in %)		31.1			-11.5			-35.0		
otal Change n payments in %)			352.0			205.2			122.6	244.9
verage Annual hange in Payments			17.0			11.9			8.5	

a) Until 1980/81 the reporting period was May through April; since 1981/82 the reporting period is April through March.
b) Laboratory department gross operating costs
c) Gross operating costs incurred by public health laboratories in performing OHIP equatable services; prior to 1981/82, costs calculated at estimated 60% of operating costs; from 1981/82 costs calculated according to Laboratory Services Branch Formula.
d) Percentage distributions may not add up due to rounding

ource: Compiled from Ministry of Health, Laboratory Services Branch, unpublished data, October 1986

Table 4

Growth in Total Insured Private Medical Laboratory Services, Ontario 1979/80 - 1985/86

	PHYSICIAN OPERATED			COMMERCIAL			TOTAL PRIVATE	
	Number of Tests	% market	% change	Number of Tests	% market	% change	Number of Tests	% change
1979/80*	1,253,378	4.2		28,603,896	95.8		29,857,274	
1980/81*	1,944,565	5.9	55.1%	31,106,683	94.1	8.7%	33,051,248	10.7%
1981/82	2,276,467	6.2	17.1%	33,151,093	93.8	6.6%	35,427,560	7.2%
1982/83	2,672,426	6.9	17.4%	36,080,333	93.1	8.8%	38,752,759	9.4%
1983/84	2,933,933	7.0	9.8%	39,029,871	93.0	8.2%	41,963,804	8.3%
1984/85	3,118,916	6.8	6.3%	42,812,979	93.2	9.7%	45,931,895	9.5%
1985/86+	3,300,000	6.6	5.8%	47,300,000	93.4	10.5%	50,600,000	10.2%
Total % Change 1979/80 - 1985/86			163.3%			65.4%		69.5%
Average Annual Change			18.6%			8.8%		9.2%

* All data from 1981/82 relate to fiscal April through March reporting period. Also, all data is inclusive of LMS codes, 1800's codes, g481 and (from 1983/84), Codes G001-G012. Data from 1979/80 and 1980/81 refer to a different reporting period.

+ Estimated.

Source: Compiled from Information Resources and Services Branch, Ontario Government, unpublished data, October 1986.

Table 5

Payments and Services of Commercial Laboratories, 1979 - 1985

	Number of Commercial Laboratories	% Change	Payments* (in $mil)	% Change	Services (# of tests) (in millions)	% Change	LMS Units (in millions)	% Change
1979/80	233		98.9		27.6		260.8	
1980/81	227	-2.6%	112.4	13.7%	30.1	9.1%	286.9	10.0%
1981/82	220	-3.1%	129.7	15.4%	33.2	10.3%	310.1	8.1%
1982/83	206	-6.4%	156.5	20.7%	36.1	8.7%	344.0	10.9%
1983/84	193	-6.3%	178.9	14.3%	39.0	8.0%	383.0	11.3%
1984/85	181	-6.2%	207.0	15.7%	42.8	9.7%	430.5	12.4%
Total Change (in units)		-52.0		108.1		15.2		169.7
Total % Change 1979/80 - 1984/85		-22.3%		109.3%		55.1%		65.1%
Average Annual Change (in %)		-4.9%		15.9%		9.2%		10.6%

* Payments for 1983/84 reflect modification by a utilization discount formula

Source: Compiled from Ministry of Health, Laboratory Services Branch, October 1986

Table 6 Top Ten Laboratory Chains - Percentage Share of Tests 1985

RANK	1977		1978		1979		1980		1981		1982		1983		1984		1985	
1	MDS	4,799,254	MDS	5,281,224	MDS	6,389,015	MDS	6,971,814	MDS	7,941,008	MDS	8,723,325	MDS	9,444,669	MDS	10,567,084	MDS	11,581,494
2	CYB	1,588,250	CYB	1,718,604	CYB	1,974,205	CYB	2,700,283	CYB	2,782,922	CYB	2,911,133	CYB	3,012,126	CYB	3,211,266	CYB	3,359,549
3	ORL	999,096	ORL	1,064,318	ORL	1,599,395	ORL	1,503,913	ORL	1,760,290	ORL	1,857,183	MC	1,923,772	MC	2,189,003	ARG	2,333,913
4	ARG	945,684	ARG	1,043,738	ARG	1,148,073	MC	1,181,183	MC	1,473,559	MC	1,727,781	ORL	1,879,042	ARG	2,157,562	MC	2,484,660
5	BEST	926,251	BEST	929,719	BEST	1,071,027	BEST	1,150,860	BEST	1,246,164	ARG	1,394,770	ARG	1,724,328	ORL	1,991,293	ORL	2,142,365
6	EXT	855,917	EXT	874,920	MC	1,058,731	ARG	1,096,339	ARG	1,135,950	BEST	1,325,142	BEST	1,429,987	EXT	1,491,021	EXT	1,600,720
7	MC	784,580	MC	874,873	EXT	963,439	EXT	998,435	EXT	1,117,589	EXT	1,277,478	EXT	1,376,743	BEST	1,479,529	BEST	1,599,297
8	MS	702,476	MS	802,012	DOUG	922,482	MS	955,941	MS	1,024,536	GAM	1,139,408	PHYS	1,220,938	GMP	1,366,494	PHYS	1,494,124
9	DOUG	697,089	DOUG	709,862	MS	913,434	DOUG	914,230	DOUG	964,764	DOUG	1,060,449	GMP	1,168,385	PHYS	1,364,427	GMP	1,469,964
10	SBM	568,995	SBM	637,826	SBM	169,801	GAM	853,416	GAM	870,946	MS	1,040,057	DOUG	1,114,004	DOUG	1,203,595	DOUG	1,421,982
TOP TEN TOTAL:		12,863,592		13,937,096		16,709,602		18,126,414		20,117,728		22,456,724		24,293,994		27,021,274		29,884,058
PROVINCIAL TOTAL:		21,101,705		22,451,305		26,002,658		27,639,468		30,103,952		33,151,093		38,080,333		39,029,871		42,812,797
TOP TEN SHARE OF PROV. TOTAL:		60.9%		62.1%		64.3%		65.6%		66.8%		67.7%		67.3%		69.2%		69.8%

KEY

ARG = Argyre Enterprises
BEST = Bestview Medical Laboratories
ORL = Canadian Medical Laboratories
CYB = Cybermedix Ltd.
DOUG = Douglass Laboratory Services
EXT = Extendicare (Crownx Inc.)
GMP = Gamma North Pool Laboratory Ltd.
MDS = MDS Health Group Ltd.
MC = Med-Chem Laboratories
MS = Medical Sciences Laboratories
SBM = SBM Laboratories
PHYS = Physicians' Laboratory Services Ltd.

24.10.86

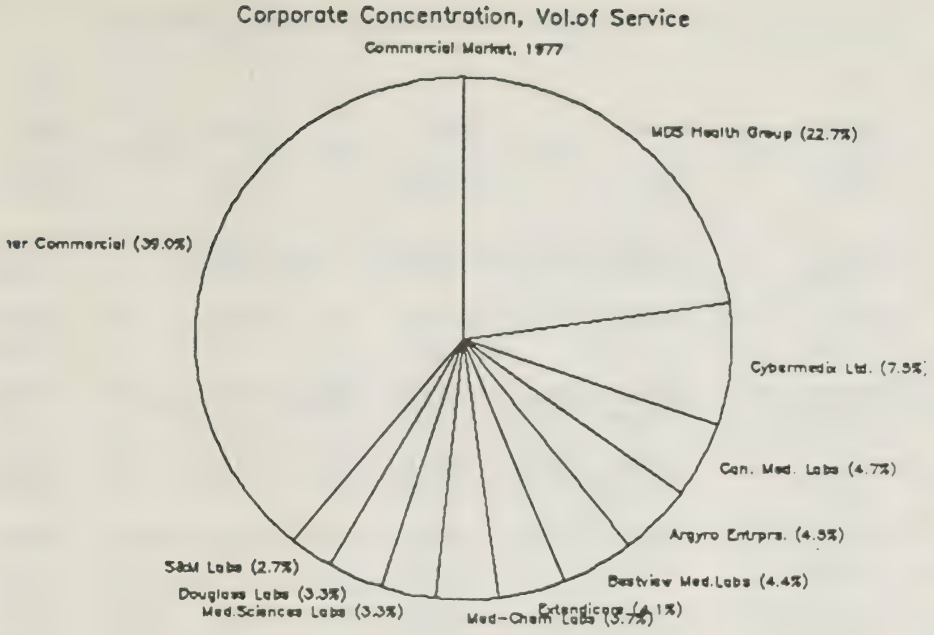
Source: Ontario, Ministry of Health, unpublished data, December, 1986

Table 7

Top 10 Laboratory Chains % Share of Total Volume of Services and OHIP Payments (1985)

Rank by Volume of Service	Lab Ownership	Own	%	Volume (Tests)	%	OHIP ($s)	%	Rank by OHIP Payment
1	MDS Health Group Ltd	49 labs 58 centres	11.9 21.1	11,581,494	9.0	56,807,948	10.5	1
2	Cyber Medix Health Services Limited	13 labs 30 centres	3.2 10.9	3,559,549	2.8	16,323,636	3.0	2
3	Argyro Enterprises Ltd.	1 lab 14 centres	0.24 5.1	2,533,913	2.0	11,003,333	2.0	4
4	Med-Chem Laboratories Ltd	5 labs 15 centres	1.2 5.5	2,484,660	1.9	15,385,673	2.9	3
5	Canadian Medical Laboratories Ltd	8 labs 21 centres	1.9 7.6	2,142,365	1.7	10,015,891	1.9	5
		76 labs 138 centres	18.5 50.5	22,301,981	17.3	109,536,481	20.3	
6	Extendicare Diagnostic Services (Crownx Inc.)	6 labs 8 centres	1.5 2.9	1,600,720	1.2	7,455,434	1.4	6
7	Bestview Medical Laboratories	8 labs 13 centres	1.9 4.7	1,595,297	1.2	7,720,886	1.4	7
8	Physicians' Laboratory Services Ltd.	6 labs 1 centre	1.5 0.36	1,494,124	1.2	6,668,966	1.2	9
9	Gamma North Peel Laboratory Ltd.	3 labs 15 centres	0.73 5.5	1,469,964	1.1	7,327,285	1.4	8
10	Douglas Laboratory Services	3 labs 16 centres	0.73 5.8	1,421,982	1.1	6,244,274	1.2	10
Total (Top 10 as % of Prov Total)		102 labs 191 centres	24.9 69.2	29,884,068	23.2	144,953,326	26.9	
Provincial Total		410 labs 276 centres		129,070,036		538,800,000		
Total (Top 10 as % of Private-For-Profit Total		102 labs 191 centres		29,884,068	69.8	144,953,326	70.0	
Private-For-Profit Total		174 labs 249 centres	58.6 76.7	42,812,979		206,977,220		

Table 7A


Corporate Concentration, Vol.of Service
Commercial Market, 1977
MDS Health Group (22.7%)
Cybermedix Ltd. (7.5%)
Can. Med. Labs (4.7%)
Argyro Entrprs. (4.5%)
Bestview Med.Labs (4.4%)
Extendicare (4.1%)
Med-Chem Labs (3.7%)
Med.Sciences Labs (3.3%)
Douglass Labs (3.3%)
S&M Labs (2.7%)
ier Commercial (39.0%)

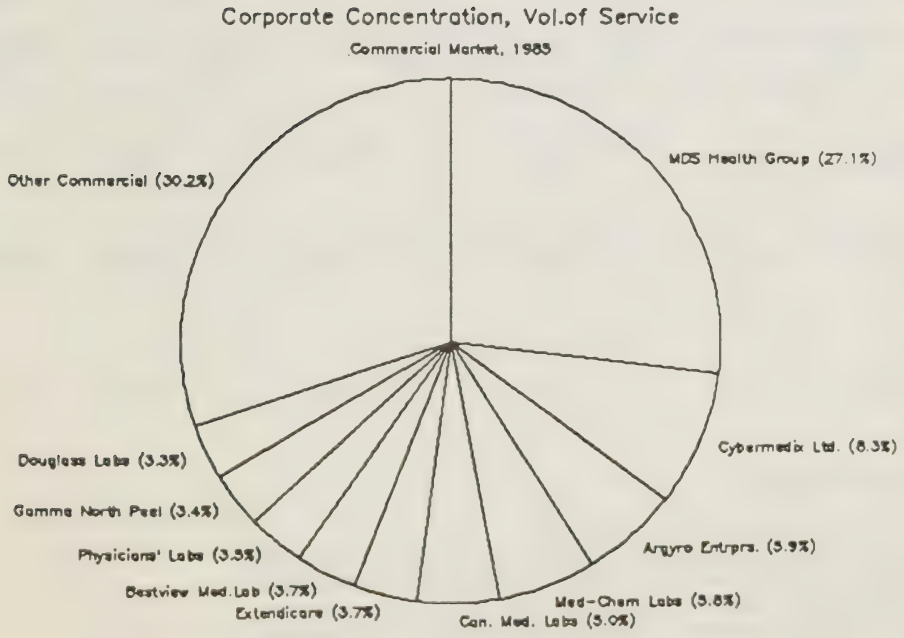

Corporate Concentration, Vol.of Service
Commercial Market, 1985
MDS Health Group (27.1%)
Cybermedix Ltd. (8.3%)
Argyro Entrprs. (5.9%)
Med-Chem Labs (5.8%)
Can. Med. Labs (5.0%)
Extendicare (3.7%)
Bestview Med.Lab (3.7%)
Physicians' Labs (3.8%)
Gamma North Peel (3.4%)
Douglass Labs (3.3%)
Other Commercial (30.2%)

Table 8

Top Five Laboratory Chains - Volume of Service* and Market Share, By Each Chain, 1977 - 1985

Corporate Rank in Market**	1		2		3		4		5	
	Volume of Service	% Change	Volume of Service	% Change	Volume of Service	% Change	Volume of Service	% Change	Volume of Service	% Change
1977	4,795,254		1,588,250		999,096		945,684		926,251	
Mkt.Share	22.72%		7.53%		4.73%		4.48%		4.39%	
1978	5,281,224	10.1%	1,718,604	8.2%	1,064,318	6.5%	1,043,738	10.4%	929,719	0.4%
Mkt.Share	23.52%		7.65%		4.74%		4.65%		4.14%	
1979	6,389,015	21.0%	1,974,205	14.9%	1,599,395	50.3%	1,148,073	10.0%	1,071,027	15.2%
Mkt.Share	24.57%		7.59%		6.15%		4.42%		4.12%	
1980	6,971,814	9.1%	2,700,283	36.8%	1,503,913	-6.0%	1,181,183	2.9%	1,150,860	7.5%
Mkt.Share	25.22%		9.77%		5.44%		4.27%		4.16%	
1981	7,941,008	13.9%	2,782,922	3.1%	1,760,290	17.0%	1,473,559	24.8%	1,246,164	8.3%
Mkt.Share	26.38%		9.24%		5.85%		4.89%		4.14%	
1982	8,723,325	9.9%	2,911,133	4.6%	1,857,183	5.5%	1,727,781	17.3%	1,394,770	11.9%
Mkt.Share	26.31%		8.78%		5.60%		5.21%		4.21%	
1983	9,444,669	8.3%	3,012,126	3.5%	1,923,772	3.6%	1,879,042	8.8%	1,724,328	23.6%
Mkt.Share	26.18%		8.35%		5.33%		5.21%		4.78%	
1984	10,567,084	11.9%	3,211,266	6.6%	2,189,003	13.8%	2,157,562	14.8%	1,991,293	15.5%
Mkt.Share	27.07%		8.23%		5.61%		5.53%		5.10%	
1985	11,581,494	9.6%	3,559,549	10.8%	2,533,913	15.8%	2,484,660	15.2%	2,142,365	7.6%
Mkt.Share	27.05%		8.31%		5.92%		5.80%		5.00%	
Total Change in Vol. of Service 1977 - 1985		141.5%		124.1%		153.6%		162.7%		131.3%
Average Annual Change in Vol. of Service 1977 - 1985		11.7%		11.1%		13.3%		13.0%		11.2%
Total Change in Market Share 1977 - 1985		19.0%		10.5%		25.0%		29.5%		14.0%

* Refers to number of tests

** Refers to share of commercial, not total, market.
As of 1985, the top 5 chains, in order of importance, were: MDS Health Group Ltd., Cybernedix Ltd., Canadian Medical Laboratories, Argyro Enterprises, and Bestview Medical Laboratories. Since 1977, MDS Health has consistently held the position of largest chain in the province; and Cybernedix has consistently been the second largest. Throughout the period, different firms have jockeyed for the remaining positions.

Source: Compiled from Ministry of Health, Laboratory Services Branch, unpublished data, October 1986.

TABLE 9

Total Annual Volume of Laboratory Tests

	Total	Public Health	% of Total	Hospital	% of Total	Commercial	% of Total
1976/77	76,086,940	1,492,145	2.0	53,493,090	70.3	21,101,705	27.7
1977/78	79,040,177	1,420,956	1.8	55,167,916	69.8	22,451,305	28.4
1978/79	85,375,705	1,512,636	1.8	57,860,411	67.8	26,002,658	30.4
1979/80	91,004,718	1,341,987	1.5	62,023,263	68.1	27,639,468	30.4
1980/81	98,456,908	1,365,295	1.4	66,987,661	68.0	30,103,952	30.6
1981/82	107,776,442	1,427,450	1.3	73,197,899	67.9	33,151,093	30.8
1982/83	115,379,264	1,435,682	1.2	77,863,249	67.5	36,080,333	31.3
1983/84	123,044,264	1,303,642	1.1	82,719,751	67.2	39,020,871	31.7
1984/85	129,707,036	1,303,819	1.0	85,590,238	66.0	42,812,979	33.0
1985/86	-	1,487,908	-	Not available		Not available	

Source: Ministry of Health, unpublished data, December 1986.

APPENDIX 1

LABORATORIES ACQUIRED BY TEN LARGEST LABORATORY CHAINS 1977-1986

1. MDS HEALTH GROUP LTD. ACQUISITIONS

June 1977	R.M.L. Laboratory, Toronto
July 1977	Listowel Medical Centre Laboratory, Listowel
July 1977	Whitby Medical Centre Laboratory, Whitby
September 1977	Cybermedix: 3 laboratories located in London
October 1977	Sudbury Clinic Laboratory, Sudbury
March 1978	St. Catharines Community Group Health Centre Laboratory, Catharines
November 1980	All Services Laboratories Canada Ltd.: 3 laboratories located in Toronto, Oakville and Alliston
June 1982	Medical Centre Clinic, Virgil
March 1983	Rosedale Medical Laboratory, Toronto
March 1983	Thunder Bay Laboratory, Thunder Bay
July 1984	Algoma Laboratories Ltd., Sault Ste. Marie
August 1984	Northwestern Medical Laboratory Ltd., Thunder Bay
November 1984	Brantford Clinic Laboratory, Brantford
January 1985	Fort William Clinic Laboratory, Thunder Bay
December 1985	Laboratories for Therapeutic Research (Dr. G. Mayer), Kingston

2. CYBERMEDIX LTD. ACQUISITIONS

October 1977	MDS Laboratory, Walmer Road, Toronto
October 1981	S & M Laboratories Ltd.: 3 laboratories located in Toronto, Hamilton and Hanover; 8 specimen collection centres located in Toronto, Hamilton and Grimsby

3. MED-CHEM LABORATORIES LTD. ACQUISITIONS

November 1977	Canuck Diagnostic Laboratory: 1 laboratory and 1 specimen collection centre located in Scarborough
September 1981	Mediservices Ltd., Toronto
April 1982	Stouffville Medical Laboratory, Stouffville
September 1982	Astra Laboratory Services Ltd., Toronto
July 1985	Telco Diagnostic Laboratory, Toronto

4. CANADIAN MEDICAL LABORATORIES LTD. ACQUISITIONS

July 1977	High Point Medical Diagnostic Laboratories Ltd., Toronto
July 1979	West York Laboratories Ltd.: 3 laboratories located in Toronto
February 1981	Queensway X-Ray and Laboratory Services Ltd., Toronto
September 1982	Westwood Medical Laboratory, Toronto

LABORATORIES ACQUIRED BY TEN LARGEST LABORATORY CHAINS 1977-1986

5. BESTVIEW MEDICAL LABORATORIES LTD. ACQUISITIONS

October 1977	Queen Medical Laboratory, Toronto
February 1983	Brampton Cytology Service, Brampton

6. EXTENDICARE LTD. ACQUISITIONS

May 1977	Wellington Diagnostic Services, Markham

7. GAMMA NORTH PEEL LABORATORY LTD. ACQUISITIONS

November 1982	North Peel Laboratories Inc.: 2 laboratories located in Bramalea and Mississauga and 7 specimen collection centres located in Brampton, Bramalea and Bolton

8. LONDON BIOCHEMISTRY REFERENCE LABORATORY ACQUISITIONS

November 1977	McGregor Clinic Laboratory, Hamilton

9. PHYSICIANS' LABORATORY SERVICES LTD. ACQUISITIONS

August 1982	St. Clair-Dufferin Medical Centre Laboratory, Toronto
April 1983	Thornhill Medical Laboratories Ltd., Thornhill
August 1983	Edbec Paramedicals Ltd.: 2 laboratories and 1 specimen collection centre located in Toronto
January 1985	Danforth Medical Laboratory Ltd., Toronto

10. DOUGLASS LABORATORY SERVICES LTD. ACQUISITIONS

June 1985	Otcon Management Services (Ottawa Consultant Cytopathologists), Ottawa

2) APPROVED HOME PROGRAM

Ministry Division: Mental Health Operations Branch

Legislation: Mental Health Hospitals Act

Clientele: in-patients of provincial psychaitric hospitals.

Program Description: Program provides short-term (6-12 months) transitional living arrangements for psychiatric patients in a family-like environment (patients are not discharged from the facility).

Number of Facilities

Total:	28 homes
Public sector:	0
Private-not-for-profit:	0
Private-for-profit:	28

This program has been defined as a private-for-profit service as care is given in private family dwellings and care-givers are paid a daily rate. The Committee wishes to reiterate its earlier caution that operators in this program may not be motivated by profit-making considerations.

Since 1982 the number of homes has decreased from 29 to 28. (See Table 1) The Ministry of Health reports that statistics prior to 1982 are not available.

Methods of Approval and/or Accreditation

Each home is chosen by the appropriate psychiatric hospital.

Inspections

As private homes, facilities must comply with municipal zoning requirements and safety by-laws.

Accountability

The Director of Social Work in each psychiatric hospital is responsible for the day–to–day administration of the program.

Expenditures

$1,220,000

Funding

The homes are directly funded through the budget of each provincial psychiatric hospital on a per diem basis.

Charges

$20.88 per patient per day.

Service Statistics

# of Patients – 87

# of Beds – 138

Occupancy Rate – 63%

Since 1982, total licensed capacity has decreased from 162 to 138 and occupancy rates have increased from 52.5% to 63%. (See Table 1)

Table 1

Approved Homes Program, Facilities and Capacity, 1982 - 1986

	Number of Homes	Total Licenced Capacity	Actual Occupancy Capacity	Occupancy Rate
1982	29	162	85	52.5%
1983	34	167	82	49.1%
1984	33	173	97	56.1%
1985	34	162	80	49.4%
1986	28	138	87	63.0%
Total Change 1982 - 1986	-3.4%	-14.8%	2.4%	20.2%

Source: Compiled from Ministry of Health, Mental Health Operations Branch, unpublished data, January 1987

3) HOMES FOR SPECIAL CARE

Ministry Division: Community Mental Health Branch

Legislation: Homes for Special Care Act

Clientele: Discharged psychiatric patients and residents from regional centres for the developmentally handicapped.

Program Description: Program provides nursing care and/or supervised accommodation. Extended care (minimum of 1.5 nursing hours a day) and Intermediate care (less than 1.5 nursing hours a day) are provided in Homes for Special Care Nursing Homes. Residential care is provided in private Residential Homes for Special Care.

Number of Facilities

Total:	467 homes –	211 nursing homes	256 residential homes
Public sector:	1 (.2%)	1	0
Private–not–for–profit:	10 (2.1%)	7	3
Private–for–profit:	456 (97.6%)	203	253

A more detailed breakdown of ownership is provided in Table 1. The Ministry of Health reports that information on the type of ownership of facilities is not available for 1976 – 1985. The Ministry states that it "provides Stats Canada with a list of nursing homes each year and Stats Canada then verifies the type of ownership on an individual survey basis with each special care facility."

Methods of Approval and/or Accreditation

Licenses are granted on the following conditions: demonstrated need for the home, compliance with municipal zoning requirements and the fire safety and environmental health requirements of the Homes for Special Care Act, recommendation by the Administrator of the associated psychiatric hospital.

To receive a Homes for Special Care Nursing Home license, a home must have a valid license under the Nursing Homes Act. At present, there are 153 accredited H.S.C. Nursing Homes and 58 non-accredited homes. Accreditation is received from the Canadian Council on Hospital Accreditation.

Extended and intermediate care licensing requirements are within the Homes for Special Care Act and the Nursing Home Act.

Extended care residents receive a minimum of 1.5 hours of nursing care a day. Intermediate care residents receive less than 1.5 hours of nursing care a day and there are no staffing standards for residential care residents other than a 24-hour supervisor.

No new licenses have been granted for the last three years.

Inspections

Inspections are undertaken as part of the annual license renewal or if there are specific complaints.

Inspections are carried out for nursing, environmental health, fire safety and dietary standards in the nursing homes and for fire safety and environmental health standards in the residential homes.

Fire safety inspections are performed by the Fire Marshall's office in smaller communities and the Municipal Fire Departments in larger communities. Environmental inspections are conducted by local public health units.

The information supplied on inspections, violations and prosecutions in Homes for Special Care is divided between Residential and Nursing Homes.

Due to limitations in these data little comparability is possible between the two types of homes. For Residential Homes for Special Care, the Ministry states data are not available before 1983. These homes are inspected for fire safety and environmental standards only as they do not provide nursing care. There have been no prosecutions of Residential Homes for Special Care. (See Table 2)

For Homes for Special Care Nursing Homes, data are provided on the number of violations from 1980 to 1986 and the number of inspections for 1984 - 1986. Thus, comparison is difficult. (See Table 3) In 1986 a total of 13 Homes for Special Care Nursing Homes were prosecuted under the Nursing Home Act.

Accountability

The Ministry of Health states that accountability is addressed by the license renewal process.

Expenditures

$87,030,538 -	$65m	for extended and intermediate care
	$14m	for residential care
	$6m	for comfort allowance

Among Residential Homes for Special Care, the Ministry reports that the private-for-profit sector (98.8% of the market) currently receives 99.2% of provincial expenditures for residential care (253 of 256 homes). The private-not-for-profit sector (1.2%) receives .8% of provincial expenditures for residential care (3 of 256 homes).

Among Homes for Special Care Nursing Homes, the Ministry reports that the private-for-profit sector (96.2% of the market) currently receives 98.7% of provincial expenditures for nursing care (203 of 211 homes). The private-not-for-profit sector (6.2%) receives 1.3% of provincial expenditures for nursing care (8 of 211 homes).

The Ministry of Health spent over $87 million on Homes for Special Care in 1985/86 compared to $57 million in 1977/78. However, when these figures are deflated in order to account for inflation in real terms the Ministry spends 18.5% less today on this program than it did in the 1977/78 fiscal year. (See Tables 4 and 5)

Growth was most rapid in the category of expenditures for comforts increasing from $2.6 million in 1977/78 to $5.0 million in 1985/86. Comforts refer to items of a personal nature. This category constitutes the smallest share of expenditures for this program but its share of total expenditures has increased from 3.1% to 7.3% during the period under review. (See Table 4)

Extended and intermediate care represent the majority of provincial expenditures in this program, but its share has been declining over the last ten years, from 85% to 76% of total expenditures for this part of the program. In deflated dollars, these services received 27% less in 1985/86 than in 1977/78. (See Table 5)

Residential care now represents approximately 17% of provincial expenditures in the Homes for Special Care program, which is an increase of 5% from 12% in 1977/78. It experienced marginal growth in real terms throughout the earlier period under review but has remained fairly static since 1982/83. (See Table 5)

Funding

The Ministry of Health pays for room and board and "comforts" on a direct billing basis with the operator. The Ministry then seeks costs from the residents' trustees. If a resident qualifies as a person-in-need, the costs are shared under the Canada Assistance Plan with the Federal Government.

Charges

Table 6 indicates the changes which have occurred in the rate structure for the three different levels of care provided in the Homes for Special Care program both in current and constant dollars.

The growth which has occurred is consistent for all three categories, and the differentials between these categories have remained fairly constant since 1977.

It is of note that, while global expenditures for this program are decreasing in real terms over the entire period, reimbursement rates have increased over and above the inflation rate. This means that although the government is spending more per capita on this type of client, fewer clients are being serviced by this program. (See Table 7)

Statistical information on actual operating costs, capital costs and profit levels was not available as the Ministry of Health does not require this type of information to be reported by operators.

Per Diems:
(1986)

Extended care –	$49.16 accredited
	$48.90 non–accredited
Intermediate care –	$41.83 accredited
	$41.61 non–accredited
Residential care –	$20.88

Patterns of Ownership

1.2% of residential Homes for Special Care are not–for–profit
98.8% of residential Homes for Special Care are for–profit

3.3% of nursing home Homes for Special Care are not–for–profit
96.2% of nursing home Homes for Special Care are for–profit

Corporate Concentration

179 of 211 Homes for Special Care Nursing Homes are owned by corporations (84.8%).

16 of 211 Homes for Special Care Nursing Homes are owned by individual partnerships (7.6%)

Service Statistics

See Tables 7 and 8 for the number of residents in Homes for Special Care.

Judging from data in Table 7 and the known population in 1986, the number of residents serviced by this program has been steadily declining. In 1978/79 there were 7,243 residents in Homes for Special Care. By 1986 this number had dropped to 5,578. This represents a 23% decline in the client population over an eight year period.

Of the 5578 residents as of August 1986, 30 are under the age of 18, 2,883 are between the ages of 19–64 and 2665 are over the age of 65.

Table 1
Ownership of Homes for Special Care
1986

	# of Homes By Type of Ownership	Nursing Homes #	Nursing Homes % of NH	Nursing Homes % of Total	Residential Care #	Residential Care % of RC	Residential Care % of Total	Total #	Total %
Private For-Profit	corporations	179	84.8	38.3	-	-	-	179	38.3
	limited partnerships	16	7.6	3.4	-	-	-	16	3.4
	individual ownership	8	3.4	1.7	253	-	-	261	55.9
	total	203	96.2	43.5	253	98.8	54.2	456	97.6
Private Not-For-Profit	religious/charitable	3	1.4	0.6	1	0.4	0.2	4	0.9
	community	3	1.4	0.6	2	0.8	0.4	5	1.1
	hospital	1	0.5	0.2	-	-	-	1	0.2
	total	7	3.3	1.5	3	1.2	0.6	10	2.2
Public Sector Not-For-Profit	municipal	1	0.5	0.2	-	-	-	1	0.2
	total	1	0.5	0.2	-	-	-	1	0.2
Total		211	100.0	45.2	256	100.0	54.8	467	100.0

Source: Ontario, Ministry of Health, unpublished data, January, 1987

Table 2

Homes for Special Care - Inspections & Violations, Residential Homes, 1983-1986

Year*	Number of HSC Residential Homes	Number of Inspections	Number of Environmental Violations	Number of Fire Safety Violations
1983	308	1,059	493	1,186
1984	291	824	280	311
1985	274	676	112	128
1986	256	700	216	415

*Data prior to 1983 is not available.

Source: Ministry of Health, Community Mental Health Branch, unpublished data, December 1986.

Table 3

Homes for Special Care - Prosecutions, Nursing Homes, 1980-1986

Year	Number of HSC Nursing Homes	Number of Violations (of Nursing Home Act) Fire/ Safety	Environmental Health	Nursing	Nutritional
1980	No Prosecutions				
1981	1	8	17	0	0
1982	1	0	0	0	3
1983	11	63	10	11	7
1984	12	8	5	96	13
1985	2	5	1	6	1
1986	13	5	3	37	2
Total Prosecutions	40	89	36	150	26

Number of Inspections Since 1984*

All Inspections	Fire/ Safety	Environmental Health	Nursing	Nutritional
4,115	1,295	811	1,209	801

* Computerized data on Nursing Home inspections is available from Nov. 1984 only.

Source: Ministry of Health, Community Mental Health Branch, unpublished data, December 1986.

Table 4

Homes for Special Care - Expenditures, 1977/78 to 1985/86

	Extended & Intermediate Care	% change	Residential Care	% change	Comforts	% change	Total Expenditures	% change
1977/78	48,296,265		6,945,391		1,766,313		57,007,969	
1978/79	48,750,562	0.9%	7,612,434	9.6%	1,963,845	11.2%	58,326,841	2.3%
1979/80	51,247,344	5.1%	9,329,717	22.6%	2,553,530	30.0%	63,130,591	8.2%
1980/81	54,354,416	6.1%	9,693,013	3.9%	2,980,522	16.7%	67,027,951	6.2%
1981/82	59,637,789	9.7%	11,327,789	16.9%	3,642,608	22.2%	74,608,186	11.3%
1982/83	64,474,155	8.1%	13,123,756	15.9%	4,447,848	22.1%	82,045,759	10.0%
1983/84	66,121,436	2.6%	13,954,904	6.3%	5,314,939	19.5%	85,391,279	4.1%
1984/85	66,024,486	-0.1%	14,426,361	3.4%	5,757,339	8.3%	86,208,186	1.0%
1985/86	65,944,207	-0.1%	14,729,036	2.1%	6,357,340	10.4%	87,030,583	1.0%
Total Change		36.5%		112.1%		259.9%		52.7%
Average Annual Change		4.0%		10.1%		17.6%		5.5%

Homes for Special Care - Distribution of Expenditures

	Share of Expenditures for Extended & Intermediate Care	% change	Share of Expenditures for Residential Care	% change	Share of Expenditures for Comforts	% change
1977/78	84.7%		12.2%		3.1%	
1978/79	83.6%	-1.3	13.1%	7.1	3.4%	8.7
1979/80	81.2%	-2.9	14.8%	13.2	4.0%	20.1
1980/81	81.1%	-0.1	14.5%	-2.1	4.4%	9.9
1981/82	79.9%	-1.4	15.2%	5.0	4.9%	9.8
1982/83	78.6%	-1.7	16.0%	5.4	5.4%	11.0
1983/84	77.4%	-1.5	16.3%	2.2	6.2%	14.8
1984/85	76.6%	-1.1	16.7%	2.4	6.7%	7.3
1985/86	75.8%	-1.1	16.9%	1.1	7.3%	9.4
Total Change		-10.6%		38.9%		135.8%
Average Annual Change		-1.4%		4.3%		11.4%

Source: Compiled from Ministry of Health, unpublished data, December 1986.

Table 5

Homes for Special Care - Expenditures in Constant (1981) Dollars, 1977/78 to 1985/86

	Extended & Intermediate Care	% change	Residential Care	% change	Comforts	% change	Total Expenditures	% change
1977/78	71,128,520		10,228,853		2,601,345		83,958,717	
1978/79	65,968,284	-7.3%	10,300,993	0.7%	2,657,436	2.2%	78,926,713	-6.0%
1979/80	63,503,524	-3.7%	11,560,988	12.2%	3,164,226	19.1%	78,228,737	-0.9%
1980/81	61,141,075	-3.7%	10,903,277	-5.7%	3,352,668	6.0%	75,397,020	-3.6%
1981/82	59,637,789	-2.5%	11,327,789	3.9%	3,642,608	8.6%	74,608,186	-1.0%
1982/83	58,189,671	-2.4%	11,844,545	4.6%	4,014,303	10.2%	74,048,519	-0.8%
1983/84	56,417,608	-3.0%	11,906,915	0.5%	4,534,931	13.0%	72,859,453	-1.6%
1984/85	53,985,679	-4.3%	11,795,880	-0.9%	4,707,554	3.8%	70,489,114	-3.3%
1985/86	51,842,930	-4.0%	11,579,431	-1.8%	4,997,909	6.2%	68,420,270	-2.9%
Total Change		-27.1%		13.2%		92.1%		-18.5%
Average Annual Change		-3.9%		1.7%		8.6%		-2.5%

Source: Compiled from Ministry of Health, unpublished data, December 1986.

Table 6

Homes for Special Care - Daily Rates, 1977 - 1986

		Extended Care	Intermediate Care	Residential
Apr. 1, 1977		23.00	19.60	9.85
Apr. 1, 1978		25.00	21.30	10.70
Apr. 1, 1979		28.00	23.85	12.00
Apr. 1, 1980		30.68	26.12	13.14
Apr. 1, 1981		34.00	28.94	14.56
Jan. 1, 1982		39.00	33.20	16.70
Jan. 1, 1983		42.35	36.04	18.13
Mar. 1, 1984		44.47	37.84	19.04
Apr. 1, 1985	N*	47.02	40.01	20.08
	A**	47.27	40.22	--
Jan. 1, 1986	N*	48.90	41.61	20.88
	A**	49.16	41.83	--
Total Change 1977 - 1986		113.7%	113.4%	112.0%

Daily Rates in Constant (1981) Dollars, 1977 - 1985

		Extended Care	Intermediate Care	Residential
Apr. 1, 1977		33.87	28.87	14.51
Apr. 1, 1978		33.83	28.82	14.48
Apr. 1, 1979		34.70	29.55	14.87
Apr. 1, 1980		34.51	29.38	14.78
Apr. 1, 1981		34.00	28.94	14.56
Jan. 1, 1982		35.20	29.96	15.07
Jan. 1, 1983		36.13	30.75	15.47
Mar. 1, 1984		36.36	30.94	15.57
Apr. 1, 1985	N*	36.97	31.45	15.79
	A**	37.16	31.62	--
Total Change 1977 - 1986		9.7%	9.5%	8.8%

* Non-Accredited Rate
** Accredited Rate

Source: Ministry of Health, Community Mental Health Branch, unpublished data, December 1986.

Table 7

. Homes For Special Care - Trends in Program Costs, in current and constant (1981) dollars, 1978 - 1983.

	Number of Residents	% Change	Total Costs	% Change	Total Cost in Constant $ (1981=100)	% Change	Per Capita Costs*	% Change
1978/79	7,243		58,326,841		78,926,713		10,897.0	
1979/80	7,029	-3.0%	63,130,591	8.2%	78,228,737	-0.9%	11,129.4	2.1%
1980/81	6,867	-2.3%	67,027,951	6.2%	75,397,020	-3.6%	10,979.6	-1.3%
1981/82	6,697	-2.5%	74,608,186	11.3%	74,608,186	-1.0%	11,140.5	1.5%
1982/83	6,551	-2.2%	82,000,000	9.9%	74,007,220	-0.8%	11,297.1	1.4%
Total Change 1978/79 - 1982/83	-692	-9.6%	23,673,159	40.6%	(4,919,493)	-6.2%	400.1	3.7%
Average Annual Change		-2.5%		8.9%		-1.6%		0.9%

* Per Capita figures are calculated in constant dollars for the period covering each fiscal year.

Source: Compiled from - Touche Ross and Partners, "A Review of the Homes for Special Care Program for the Mental Health Division", Ministry of Health, April 1984.

Table 8

Number and Type of Residents in Homes for Special Care

As of August 1986

Type of Residents	211 Nursing Homes	256 Residential Care Homes	Total
Developmentally Handicapped	1262	423	1685
Former Psychiatric Patients	2286	1607	3893
Total	3548	2030	5578

Source: Ontario, Ministry of Health, unpublished data, December 1986.

4) NURSING HOMES

Ministry Division: Nursing Homes Branch, Institutional Health

Legislation: Nursing Homes Act, Health Insurance Act, Special Orders and Facilities Act.

Clientele: Primarily the elderly – some developmentally handicapped adults and children.

Program Description: Provides domiciliary and nursing care

Number of Facilities

Total:	332 homes
Public sector:	3 municipal (0.9%)
Private–not–for–profit:	27(8.1%) – 2 Indian Bands – 8 hospitals –17 charitable/ religious
Private–for–profit:	302 (91%) – 147 individual and minor corporate (up to 2 homes) and 155 major corporate (3 homes or more)

Methods of Approval and/or Accreditation

Accreditation is received from the Canadian Council on Hospital Accreditation. Two hundred and forty–four nursing homes are accredited and account for 23,648 beds. One hundred and eight nursing homes are not accredited and account for 6,236 beds.

All homes must have an operator's license from the Ministry of Health in order to receive funding from the Ministry.

Inspections

All homes undergo an annual licensing inspection from the Nursing Homes Inspections Branch. Other inspections such as follow–ups or inspections resulting from complaints may occur at any time.

a) Licensing Inspections

Homes are inspected for nursing standards, environmental health standards, fire safety and dietary standards. Each type of inspection requires its own report. Inspection reports are kept on file by the Ministry of Health and are available to the public.

In recent years a fair amount of attention has been paid to the inspection process. In July of 1986 a private consulting firm completed a report of the Inspection Branch and recommended the following:

- separate the enforcement function from the compliance function
- transfer fire safety inspections to the Fire Marshall's Office and environmental health inspections to local public health units
- establish a consultative, advisory role for inspectors to be available to nursing homes
- develop a compliance management system

The Minister of Health released the report in the Fall of 1986 and announced a restructuring of the inspections process along the lines recommended. A new compliance section would deal with annual relicensing, follow–up visits, investigation of minor complaints and would advise and consult operators. A new enforcement section would deal with serious complaints and follow–up.

The transfer of inspection jurisdiction is underway and the divisions of Compliance and Enforcement are being established.

Data on the number of inspections, violations, prosecutions and fines have only been computerized since 1984; therefore, very few comments can be made on violations of the Nursing Homes Act by type of ownership. Table 1 indicates that during the period November 1984 – January 1986, there were slightly more violations per home under the ownership category of corporations than there were for the other two categories; however, there was no difference across ownership categories in the average number of violations per inspection. (2.2)

It should be noted that the corporation category also experienced a higher number of inspections per home; thus, there appears to be a positive correlation between the number of inspections and the number of violations.

The Ministry of Health has reported that the total number of inspections from November 1984 – January 1986 was 4,519. This includes relicensing, follow–ups and complaints. Of the total, 1255 were nursing inspections, 949 were environmental health inspections, 1374 were fire safety inspections and 941 were dietary inspections.

b) Inspections Resulting from Complaints

Complaints against nursing homes come from residents, residents' families and advocacy organizations. These inspections are treated separately from the relicensing inspections. Table 2 provides a summary of activity resulting from complaints in 1981 to 1986. There were no prosecutions initiated in 1980. Table 2 also provides a breakdown of the types of complaints by ownership type for the period 1984–1986.

By way of example, for the year 1986 (as of November) 108 charges were sworn against 22 homes. Four charges were heard against three homes. Two charges were dismissed and 2 charges received a conviction and a fine of $407.50 against a home's administrator. One hundred and four charges sworn in 1986 against 19 homes are still before the court.

Accountability

The annual relicensing review and the inspections process are considered to be the primary mechanisms for accountability.

Expenditures

$265,350,100 for extended care service

Data presented in Table 3 indicate that spending on extended care as a percentage of total health expenditures has remained fairly constant over the ten year period with a slight decrease in the last four years.

This decrease does not represent an actual reduction in spending on extended care benefits, but is rather the result of relatively greater increases in health care expenditures as a whole.

Costs

The Ministry of Health reports that it does not require information from nursing home operators regarding operating and capital costs and the level of profit operators may attain.

Funding

As of August 1986, the Ministry of Health pays $28.88 (59.1%) per day per resident and the resident pays $20.02 (40.9%) per day for a total of $48.90 per day per resident. If the resident cannot afford the full per diem rate a subsidy can be obtained.

It should be noted that the Minister of Health recently announced a new program to encourage nursing homes to improve staff development programs, residents' activity programs and to improve homes' continence care programs. Homes offering all 3 programs will receive an additional $1.30 per day per resident ($1.00 for activity programs, 25¢ for continence care and 5¢ for staff training). The total amount allocated to these programs is $14.3 million.

Charges

The per diem rates are negotiated annually between the Ministry of Health and the Ontario Nursing Homes Association. The resident portion is established in relation to Old Age Security payments after deduction for a comfort allowance. Residents over 65 may retain $112.80 a month and residents under 65 may retain $77.00 a month.

Tables 4, 5 and 6 show the differential in fees paid by residents for different types of accommodation has been growing steadily smaller over the period. Proportionally, standard beds cost 56% less and semi-private 28% less than private beds in 1976. By 1985, this gap had narrowed to 42% and 21% respectively.

While the charges to residents for all types of beds grew in this ten year period, there are some differences between the types of accommodation. The nominal charge for private beds increased by 92%, semi-private by 110% and standard by 152%. It appears that the charge of a standard bed has risen more rapidly than the charge of a private bed.

Table 5 shows the government share of standard residence fees is still highest at 58% but this has declined from 65% in 1976. This indicates a 7% decrease over time. The government share of semi-private resident fees has decreased from 53% to 50% which constitutes a 3% decrease over time. The government share of private residents' fees rose from 45% in 1976 to 50% in 1984 and dropped back to 45% in 1985.

Table 6 indicates the proportionate contribution of the provincial government and the nursing home resident to the per diem charge for extended care. The resident's portion of payments has gradually, if unevenly, increased to 40% in 1985/86.

There appear to be two trends emerging from these data: in general, the provincial government share of nursing home per diems has decreased over time while the resident's share has increased. Secondly, a resident in standard bed accommodation and semi-private accommodation is paying proportionately more of the resident's fee in 1985 than they were in 1976.

Patterns of Ownership

91% of operators are in the private–for–profit sector owning 94% of all beds.

9% of operators are in the private–not–for–profit sector owning 5.4% of all beds.

Corporate Concentration

25 corporate chains operate 160 homes (48.2% of total) and 18,349 beds. (61% of total)

Top 10 corporate chains operate 96 homes (28.9% of total) and 13,125 beds. (43.9% of total)

Top 5 corporate chains operate 67 homes (20.2% of total) and 9,336 beds. (31.2% of total)

Top corporate chain (Extendicare Health Services) operates 28 homes (8.4% of total) and 4,687 beds. (15.7% of total)

(See Table 7 for specifics)

These distinctions between operators in this market mean that the size of the homes controlled by the top ten chains are significantly larger than those in the total market. Therefore, though concentration does not appear intense with respect to the number of facilities which service the market, when considered in light of the number of beds, control of the market appears to be more significant.

Service Statistics

# of Residents – 29,268	– 26,143 are over 65 (89%)
(as of 31 July 86)	– 17,934 are over 80 (61%)

Size of Facilities

Table 8 indicates that the average size of facilities has been increasing. While the number of facilities declined from 387 in 1976 to 332 in 1986, the number of beds increased from approximately 26,000 beds in 1976 to approximately 30,000 beds in 1986.

# of Beds

Table 9 indicates ownership of beds by type of operator. It can be seen that 94% of all beds are in the private–for–profit sector.

Amendments to the Nursing Homes Act

On December 16, 1986, the Minister of Health introduced the Nursing Homes Amendment Act and the Health Facilities Special Orders Amendment Act with the following provisions:

- rights of residents will be written into law. This will include the right to shelter, food, clothing, privacy, information regarding medical conditions and full participation in medical decision making.

- anyone who believes a resident has been harmed must report it in confidence, to the Director of the Nursing Homes Branch.

- penalties for noncompliance with the Act will be increased to a maximum of $5000 for a first offence and $10,000 for subsequent offences.

- reporting requirements will include shareholder ownership as well as directors and officers.

- the Minister's right to issue or refuse a license will be expanded to include consideration of concentration of ownership and the balance between for–profit and not–for–profit homes.

- the Ministry of Health will require annual statements of profit and loss from nursing home operators.

- statements indicating revenue sources and allocation will be posted in each home along with licensing inspection reports.

- residents' councils will be set up in each home where 3 residents or their representatives request one.

- an advisory committee will be set up to advise councils, investigate complaints, examine Ministry inspection reports and review financial statements. It will be composed of up to 7 members selected by councils and up to 3 members appointed by the Minister from the community.

- the Minister will be allowed to enter into a contract with a specific home to provide funding for additional services where necessary.

Table 1

Nursing Homes

Violations and Inspections in Ontario by Type of Ownership, 1984-85

	Non-Corporate Home	Corporations	Private Not For Profit	Total
# of homes	38	265	28	331
# of violations	1,033	8,061	708	9,802
average # of violations per home	27.1	30.4	25.3	29.6
# of inspections	476	3,714	329	4,519
average # of violations per inspection	2.2	2.2	2.2	2.2
average # of inspections per home	12.5	14	11.8	13.7

Source: Compiled from Ministry of Health, as cited in Woods Gordon Report on Nursing Home Violations, 1986.

Nursing Homes - Summary of Complaints, 1981 to 1986

Year Ending	Number of Charges Sworn	Number of Nursing Homes	Number of Charges Heard To Date	Number of Convictions	Number of Nursing Homes	Total Fines
Nov/1986	108	22	4	2	2	$408
1985	41	8	16	5	5	$1,300
1984	622	20	216	93	15	$19,200
1983	175	20	N.A.	65	N.A.	$11,315
1982	6	1	0	0	0	0
1981	44	2	N.A.	30	N.A.	$5,800

No prosecutions were initiated in 1980.

Source: Nursing Homes Branch, unpublished data, November 1986

Complaints Against Nursing Homes (November 1984-November 1986)
(from residents, families or groups such as Concerned Friends)

Type of Ownership	Number of Homes	Complaints				
		Nursing	Environmental	Fire	Nutritional	Total
Corporations	145	360	103	20	128	611
Limited Partnership	7	16	3	0	2	21
Individual Owned	5	12	2	1	5	20
Not-For-Profit	10	16	7	0	3	26
Total	167	404 (59.6%)	115 (17.0%)	21 (3.1%)	138 (20.4%)	678

Informations have been sworn against 2 homes in 1986 based on complaints. A total of 13 charges have been sworn and both cases are before the courts as of November 30, 1986. 281 charges against 5 homes in 1984 remain before the courts. A total of 125 charges have been withdrawn, dismissed or prohibited prior to trial.

Source: Compiled from Ministry of Health, as cited in Woods Gordon Report on Nursing Home Violations, 1986.

TABLE 3

NURSING HOME EXPENDITURES - EXTENDED CARE BENEFITS, 1976/77 - 1986/87

	Health Expenditures	% Change in Health	Extended Care Benefits (Ms)	% Change	Extended Care as % of Health Expenditures	% Change	Extended Care Benefits Constant $s (1981=100)	% Change
1976/77	3,386	-	102	-	3.0	-	162,162,162.10	-
1977/78	3,667	8.3	121	18.6	3.3	10.0	178,203,240.00	9.9
1978/79	3,963	8.1	132	9.1	3.3	0.0	178,619,756.40	0.2
1979/80	4,269	7.7	148	12.1	3.5	6.1	183,395,291.20	2.7
1980/81	4,897	14.7	163	10.1	3.3	-5.7	183,352,080.90	0.0
1981/82	5,812	18.7	193	18.4	3.3	0.0	193,000,000.00	5.3
1982/83	6,768	16.4	223	15.5	3.3	0.0	201,263,537.90	4.3
1983/84	7,583	12.0	242	8.5	3.2	-3.0	206,484,641.60	2.6
1984/85	8,343	10.0	251	3.7	3.0	-6.3	215,233,033.50	-0.6
1985/86	9,264	11.0	265	5.6	2.9	-3.3	208,333,333.30	1.5
1986/87*	9,970	7.6	284	7.2	2.8	-3.4	214,501,510.50	3.0
total change		194.4		178.4		-6.7		32.3%
average % change		11.5		10.9		-0.6		2.9

* Payments to those institutions giving extended care residents 1.5 hours of nursing per day.

* Estimated

Sources: Ontario, Ministry of Treasury and Economics, Public Accounts 1976/77 - 1985/86.
Ontario, Mangement Board of Cabinet, Expenditure Estimates, 1986/87.

Table 4

Nursing Homes in Ontario

Residential and Insurance Rates by Type of Accomodation, 1976 - 1985.

	All (a) Insurnc	% change	Standard Residnt	% change	Semi-Priv Residnt	% change	Private Residnt	% change
1976	13.60		7.40		12.10		16.80	
1977	13.40	-1.5	7.60	2.7	12.30	1.7	17.00	1.2
1978	16.70	24.6	8.30	9.2	13.00	5.7	17.70	4.1
1979	18.20	9.0	9.80	18.1	14.80	13.8	19.80	11.9
1980	20.16	10.8	10.52	7.3	15.52	4.9	20.52	3.6
1981	22.23	10.3	11.77	11.9	16.77	8.1	21.77	6.1
1982 (b)	25.20	13.4	13.80	17.2	18.80	12.1	23.80	9.3
1983	27.16	7.8	15.19	10.1	21.34	13.5	27.49	15.5
1984	28.48	4.9	15.99	5.3	22.44	5.2	28.89	5.1
1985 (c)	25.84	-9.3	18.63	16.5	25.40	13.2	32.18	11.4
total change	12.24	90.0	11.23	151.8	13.30	109.9	15.38	91.5
average change		7.8		10.9		8.7		7.6

(a) Insurance premiums (government financed) are a constant which all types of homes received.
(b) Rates are given for April of each year, 1972-1981, and May for 1982-1984.
(c) Because the statistics from February 1985 onwards are further divided according to accredited and non-accredited institutions, we took the latest figure (Jan. 1985) that was consistent with previous ones.

Note: These figures have not been confirmed by the Ministry of Health.

Source: Ontario Nursing Homes Association, 1986.

Table 5

Proportion of Government Contribution in Fees by Type of Accomodation, 1976 - 1985

	STANDARD			SEMI-PRIVATE			PRIVATE		
	total fees(a)	govt as % of total	% change(b)	total fees	govt as % of total	% change	total fees	govt as % of total	% change
1976	21.00	65		25.70	53		30.40	45	
1977	23.00	67	3.1%	27.70	56	5.7%	32.40	48	6.7%
1978	25.00	67	0.0%	29.70	56	0.0%	34.40	49	2.1%
1979	28.00	65	-3.0%	33.00	55	-1.8%	38.00	48	-2.0%
1980	30.68	66	1.5%	35.68	56	1.8%	40.68	49	2.1%
1981	34.00	65	-1.5%	39.00	56	0.0%	44.00	51	4.1%
1982 (c)	39.00	65	0.0%	44.00	57	1.8%	49.00	51	0.0%
1983	42.35	64	-1.5%	48.50	56	-1.8%	54.65	50	-2.0%
1984	44.47	64	0.0%	50.92	56	0.0%	57.37	50	0.0%
1985 (d)	44.47	58	-9.4%	51.24	50	-10.7%	58.02	45	-10.0%
total change	23.47	-7.00	-10.8%	25.54	-3.00	-5.7%	27.62	0.00	0.0%
average change			-1.2%			-0.6%			0.1%

(a) Constant insurance rates plus residential fees (from previous table)
(b) Government contribution is equivalent to insurance rates.
(c) Rates are given for April of each year, 1972-1981, and May for 1982-1984.
(d) Because the statistics from February 1985 onwards are further divided according to accredited and non-accredited institutions, we took the latest figure (Jan. 1985) that was consistent with previous ones.

Note: These figures have not been confirmed by the Ministry of Health.

Source: Ontario Nursing Homes Association, 1986.

TABLE 6

NURSING HOME PER DIEMS, GOVERNMENT AND RESIDENT SHARES 1976/77 - 1985/86

Year	Nursing Home Per Diem Rates (Standard Ward)	% Change	Government Portion	% Change	% of Total	% Change	Resident Portion	% Change	% of Total	% Change
1 Jan 1976	$ 19.00	--	$ 12.85	--	67.6	--	$ 6.15	--	32.4	
1 April 1976	21.00	10.5	13.60	5.8	64.8	-4.1	7.40	20.3	35.2	8.6
1 April 1977	23.00	9.5	15.40	13.2	66.9	3.2	7.60	2.7	33.0	-6.2
1 April 1978	25.00	8.7	16.70	8.4	66.8	-0.1	8.30	9.2	33.2	0.6
1 October 1978	25.50	2.0	16.80	0.6	65.9	-1.3	8.70	4.8	34.1	2.7
1 April 1979	28.00	9.8	18.20	8.3	65.0	-1.4	9.80	12.6	35.0	2.6
1 April 1980	30.68	9.6	20.16	10.8	65.7	1.1	10.52	7.3	34.3	-2.0
1 April 1981	34.00	10.8	22.23	10.3	65.4	-0.5	11.77	11.9	34.6	0.9
1 January 1982	39.00	14.7	25.55	14.9	65.5	0.2	13.45	14.3	34.5	-0.3
1 January 1983	42.35	8.6	27.63	8.1	65.2	-0.5	14.72	9.4	34.8	0.9
1 November 1984	44.47	5.0	26.99	12.3	60.7	-6.9	17.48	18.8	39.3	12.9
1 April 1985*	44.87	0.9	26.12	3.2	58.2	-4.1	18.75	7.3	41.8	6.4
1 March 1986**	48.90	9.0	29.33	12.3	60.0	3.1	19.57	4.4	40.0	-4.3
Total Change	157.4%	--	128.2%	--	--	--	218.2%	--	--	--
Average Annual	8.3%	--	8.2%	--	--	--	10.3%	--	--	--

Source: Ontario, Ministry of Health, unpublished data, December 1986.
* Accredited homes received another 13¢ effective 1 April 1985.
** Accredited homes received another 26¢ effective 1 March 1986.

Table 7

Nursing Home Ownership by Corporate Chain
(Minimum ownership of 3 Homes)
as of December 1, 1986

Rank by # of Beds	Company	# Homes	%	# Beds	%
1	Extendicare Health Services (Crownx Inc.)	28	8.4	4687	15.7
2	Versa-Care Limited	14	4.2	1424	4.8
3	Diversicare Limited (Counsel Trustco)	8	2.4	1374	4.6
4	Beacon Hill Lodges (1984) Limited	4	1.2	979	3.3
5	Grosvenor Health Care Partnership	13	3.9	872	2.9
		67	20.2	9,336	31.2
6	Leisure World Health Care Centres Inc.	5	1.5	835	2.8
7	60191 Ontario Limited 60192 Ontario Limited Kennedy Lodge N.H. Inc.	3	.9	803	2.7
8	Norbert J. Schuller	7	2.1	794	2.7
9	Caressant-Care Nursing Home of Canada Limited	11	3.3	731	2.4
10	Central Park Lodges (Trizec)	3	.9	626	2.1
		96	28.9	13,125	43.9
11	Community Nursing Homes Limited	7	2.1	569	1.9
12	Omni Health Care Ltd.	7	2.1	535	1.8
13	Ceby Management Limited IEM Management Limited JBG Management Inc.	4	1.2	503	1.7
14	538414 Ontario Limited (Docherty)	5	1.5	485	1.6
15	542211 Ontario Limited 575975 Ontario Limited 632369 Ontario Limited 632371 Ontario Limited (Bordo)	5	1.5	475	1.6

Rank by # of Beds	Company	# Homes	%	# Beds	%
16	St. Raphael's Nursing Homes Limited	3	.9	452	1.5
17	Chateau Gardens	5	1.5	358	1.2
18	Medi Park Lodges Inc.	4	1.2	336	1.1
19	Gooden Holdings Limited	4	1.2	323	1.1
20	Jarlette Ltd. 488490 Ontario Inc. 584482 Ontario Inc.	4	1.2	320	1.1
21	Perth Community Care Centre Inc. 519179 Ontario Inc.	3	.9	234	0.8
22	Gordon Nelson Development Company Limited	3	.9	208	0.7
23	Specialty Care Inc.	4	1.2	156	0.5
24	Kannampuzha Holdings Ltd. Nedugrad Holdings Ltd.	3	.9	153	0.5
25	Greenwood Nursing Home Ltd. Seaforth Health Care Facility Ltd. Southrim Enterprises Ltd.	3	.9	117	0.4
Total		160	48.2	18,349	61.4
Provincial Total (as of 1 December 1986)		332		29,904	

Table 8

Nursing Homes - Number of Facilities and Beds, 1976 - 1986

	Number of Homes	% change	Number of Beds	% change	Ratio of Beds/ Homes	% change
1976	387		25965		67.1	
1977	378	-2.3	27308	5.2	72.2	7.6
1978	367	-2.9	27847	2.0	75.9	5.1
1979	363	-1.1	28079	0.8	77.4	2.0
1980	356	-1.9	28208	0.5	79.2	2.3
1981	N/A	N/A	28295	0.3	N/A	N/A
1982	N/A	N/A	28686	1.4	N/A	N/A
1983	N/A	N/A	28941	0.9	N/A	N/A
1984	N/A	N/A	29215	0.9	N/A	N/A
1985	331	N/A	29561	1.2	89.3	N/A
1986	332	0.3	29867	1.0	90.0	0.8
total change	-55	-14.2	3902	15.0	22.9	34.1

Source: Ontario, Ministry of Health, Annual Reports.

Table 9

Ownership of Nursing Home Beds

As of 31 July 1986

Beds

Public	–	154 (municipal) (.5%)
PNFP	–	106 (Indian Bands)
	–	529 (hospitals)
	–	992 (charitable/religious)
		1627 (5.4%)
PFP	–	10,081 (individual and minor corporate – up to 2 homes)
	–	18,022 (major corporate – 3 homes or more)
		28,103 (94%)
Total	–	29,884

Source: Ontario, Ministry of Health, unpublished data, December 1986.

5) HEALTH SERVICE ORGANIZATIONS (HSOs)

Ministry Division: Community Health Programs Branch

Legislation: Ministry of Health Act

Clientele: general public

Program Description: A group of physicians, a family practice unit or a community–sponsored organization receives capitation funding to provide health care services to a roster of patients.

Number of Facilities

Total: 25

4 Family Practice Unit HSOs

3 Community–Based HSOs

18 Provider Model HSOs

Number of Roster Patients

Total: 181,116

27,260 in 4 Family Practice Units (15.1%)

58,206 in 3 Community–Based HSOs (32.1%)

95,650 in 18 Provider Model HSOs (52.8%)

The identification of for–profit activity within the HSO program must be interpreted very cautiously. It is extremely difficult to differentiate between public, private–not–for–profit and private–for–profit models of HSOs. For purposes of determining private–for–profit status we have used a definition which categorizes the HSO by type of sponsor.

The Ministry of Health defines three types of HSO sponsor:

Family Practice Unit: sponsored by a Health Science Centre and physically located in a hospital or the community.

Community–Based Model: a non–profit corporation, association or hospital controlled by a Board of Trustess, nominated and elected by the enrolled members or the community.

Provider Model: owned and operated by physicians in a group practice.

Because provider models are clearly privately operated, at least in part on a for–profit basis, we have labelled them as "private–for–profit."

They should not be confused, however, with private–for–profit Health Maintenance Organizations (HMOs) of the type operating in the United States and increasingly discussed in a Canadian context.

Methods of Approval and/or Accreditation

An agreement is established between the Ministry of Health and the sponsored HSO. At the outset of a new agreement, the HSO agrees with the Ministry to a period of time in which to enroll a minimum number of OHIP–insured patients. This period is known as the "Initial Payment Period" (IPP) during which the HSO develops its patient roster.

During the IPP the HSO receives a monthly payment from the Ministry of Health based on the OHIP billings of the HSO physicians before the HSO was set up. At the end of the IPP, the HSO should have achieved its target enrolment and should start receiving capitation payments. If the target has not been met, the Ministry of Health subtracts the appropriate amount from the monthly payments.

Accountability

Roster verification ensures the accuracy of enrolled patient lists. There are also regular reporting procedures for statistical and financial information.

Expenditures

$24,900.000 – $21,900,000 for per capita payments (approximate)
$3,000,000 for ACIP (approximate)

Expenditures in 1976 were $2,690,357. Current expenditures therefore represent a 358.2% increase in constant dollars over the period 1976 to 1986. (See Table 1)

Funding

HSOs receive capitation funding for the services they have contracted to provide to each enrolled member. The amount is based on the average OHIP billing (age and sex adjusted) for residents in the area of the HSO over the previous year. Payment is provided as long as roster members remain well or receive care from the HSO. If the patient receives services outside the HSO that are similar to those provided by the HSO, the monthly capitation payment for that patient is withheld (negated) from the HSO.

There is a second type of funding for HSOs known as the Ambulatory Care Incentive Program (ACIP). The Ministry gives the HSO a payment in addition to the per capita payment if hospitalization rates of enrolled patients are lower than average hospitalization rates for the district in which the HSO is located. Fifteen of eighteen HSOs eligible to receive ACIP are currently demonstrating reduced utlization patterns.

Charges

For services insured under OHIP, there are no charges to individuals enrolled in an HSO.

Service Statistics

# of Patients Enrolled – 181,116

ACIP – average overall reduction of 16% in the use of acute hospital days by HSO patients when compared to similar fee-for-service patients.

TABLE 1

HSO PAYMENTS 1976–86

Year	HSO Payments (MS)	Per cent Change	Constant Dollars (1981=100)	Per cent Change
1976/77	$2,690,357		$ 4,277,197.10	
1977/78	$2,926,182	8.8	$ 4,309,546.40	.8
1978/79*	$7,393,541	152.7	$10,004,791.60	132.2
1979/80	$8,578,244	16.0	$10,629,794.30	6.2
1980/81	$11,277,698	31.5	$12,685,824.50	19.3
1981/82	$13,056,176	15.8	$13,056,176.00	2.9
1982/83	$13,892,890	6.4	$12,538,709.40	–4.0
1983/84	$18,258,099	31.4	$15,578,582.80	24.2
1984/85	$20,815,659	14.0	$17,020,162.70	9.3
1985/86	$24,926,256	19.7	$19,596,113.20	15.1
Total Change:		826.5%		358.2%
Average Annual Change:		32.9%		22.9%

Source: Ontario, Ministry of Health, Community Health Programs Branch, unpublished data, December 1986.

*Addition of Group Health Centre, Sault St. Marie.

PROGRAM INFORMATION BY EXTENT OF FOR-PROFIT ACTIVITY:

COMMUNITY AND SOCIAL SERVICES

CATEGORY I – PUBLICLY OWNED FACILITIES

The Ministry of Community and Social Services did not identify any programs operated solely by publicly owned institutions.

CATEGORY II – LESS THAN 5% FOR–PROFIT ACTIVITY

1) ELDERLY PERSON'S CENTRES (EPCs)

Ministry Division : Community Services

Legislation: Elderly Persons Centres Act

Clientele: Seniors

Program Description: Centres provide recreational and social programs for seniors in the community.

Number of Facilities

Total:	170
Public sector:	0
Private–not–for–profit:	170
Private–for–profit:	0

Methods of Approval and/or Accreditation

The sponsoring organization must prepare an evaluation of need and survey the community. If there is a need, the organization will receive approval from the Ministry of Community and Social Services for establishing the program.

The Act stipulates that the sponsoring agency must be a not–for–profit agency.

Inspections

The Centres must meet with municipal by-laws and building codes. Municipal building inspectors would conduct inspections.

Accountability

Financial statements must be available for audit and are submitted to the Ministry. Annual budgets are submitted to and negotiated with the Ministry.

Expenditures

Total:	$2,600,000
Public Sector:	$500,000 to municipalities
Private-not-for-profit:	$2,100,000 to sponsoring agencies
Private-for-profit:	0

Funding

The Ministry of Community and Social Services will reimburse $15,000 per centre. The amount is contingent upon the amount of municipal funding provided to the centre.

Service Statistics

The Ministry of Community and Social Services reports that it does not keep information on the total population served, the hours of service or the total volume of services provided.

2) HOME SUPPORT SERVICES – SENIORS

Ministry Division: Community Services

Legislation: Ministry of Community and Social Services Act

Clientele: Seniors living in their homes

Program Description: Program enables seniors to stay in their homes in their community. Services such as meals–on–wheels, friendly visits, day programs, security checks, escorted transportation are provided.

Number of Facilities

268 programs were funded in 1984/85. Data on delivery of service were not available; however, all programs are delivered by not–for–profit agencies such as churches, service clubs, volunteer associations and elderly person's centres.

The legislation does not preclude purchase of service from for–profit providers; however, in order to receive federal cost sharing under the Canada Assistance Plan, not–for–profit agencies are funded.

Methods of Approval and/or Accreditation

No formal license is required. Programs are approved by Ministry staff based on an assessment of need.

Inspections

There are no formal inspections. Regular monitoring is undertaken by Ministry supervisors.

Accountability

Financial statements must be submitted and available for audit and annual budgets are submitted to and negotiated with the Ministry.

Expenditures

$4,900,000 (84/85)

All funds went to the private–not–for–profit sector.

Funding

There is a cost sharing formula with the Ministry of Community and Social Services paying 60% and the private–not–for–profit agency paying 40% of operating costs.

Service Statistics

The Ministry of Community and Social Services reports that it does not collect information on the total population served, the number of cases involved, the hours of service provided or the total volume of service.

3) HALFWAY HOMES AND GROUP HOMES

(under the Charitable Institutions Act)

Ministry Division: Family Services and Income Maintenance

Legislation: Charitable Institutions Act, Family Benefits Act, Vocational Rehabilitation Service Act, Ministry of Community and Social Services Act.

Clientele: ex-offenders, individuals with alcohol and drug problems and the socially disadvantaged

Program Description: Program provides residential and rehabilitative services. Services can vary but usually include counselling, community activities, vocational training.

Number of Facilities

Total:	42	(as of 1 April 1985)
Public Sector:	0	
Private-not-for-profit:	42	– 31 for alcoholics (73.8%) – 6 for ex-offenders (14.3%) – 5 for socially disadvantaged (11.9%)
Private-for-profit:	0	

All programs are delivered by the private-not-for-profit sector. Organizations are usually church-related.

The Ministry of Community and Social Services reports that it does not have similar information for 1976 to 1984 but that in their view the figures would be relatively unchanged because program expansion was not permitted under the Charitable Institutions Act during this period. One facility for men was closed and two facilities for women were transferred from General Welfare Assistance funding to funding under the Charitable Institutions Act in 1985.

Methods of Approval and/or Accreditation

Operator needs a license to run a home and therefore must be reviewed and approved by the Ministry of Community and Social Services.

Inspections

The Regulations of the Charitable Institutions Act set standards for space and fire safety which are inspected municipally.

Accountability

Homes must submit monthly claim forms, prepare annual audited financial reports, submit monthly program reports and annual budgets.

Expenditures

$6,000,000. All funds go to the private–not–for–profit sector.

Funding

The Ministry of Community and Social Services may pay up to 80% of the cost of care for "approved agencies." There is a limited ceiling of $33.50 a day for each needs–tested resident.

Recipients of Family Benefits residing in a charitable institution currently receive $685.96 a month out of which they retain $77.00 as a comfort allowance.

Residents who are considered medically disabled (this includes alcoholics and ex–psychiatric patients) can be placed on a vocational rehabilitation program which entitles them to a Family Benefits allowance if they have no other source of income. The current rate is $692.34 a month for those under 65 and $727.34 for those over 65. They retain $77 and $112 respectively as a comfort allowance.

In some institutions, the Ministry pays an amount for debt reduction to assist with mortgage payments.

Charges

$33.50 per diem ceiling adjusted yearly

Service Statistics

# of Beds	–	759	for alcoholics (80.5%)
	–	115	for ex–offenders (12.2%)
	–	69	for socially disadvantaged (7.3%)
TOTAL		943	

# of Subsidized Beds	–	573 for alcoholics (70.7% of 759)
	–	29 for ex–offenders (25.2% of 115)
	–	65 for socially disadvantaged (94.2% of 69)
TOTAL		667 (70.7% of 943)

The Ministry of Community and Social Services states that it cannot provide information on the number of homes, beds or subsidized beds for the years 1976 to 1985.

4) ATTENDANT CARE

Ministry Division: Community Services

Legislation: Ministry of Community and Social Services Act

Clientele: Severely disabled individuals serviced in designated apartments and on an outreach basis.

Program Description: Program provides services such as personal care, bathing, grooming, meal preparation, general homemaking on a 24–hour basis.

Number of Facilities

Total:	58 agencies delivering care
Public Sector:	0
Private–not–for–profit:	58 agencies – 20 in outreach programs 38 agencies sponsoring 54 projects with 669 units
Private–for–profit:	There has been some purchase of service from for–profit agencies when not–for–profit agency staff are not available.

Methods of Approval and/or Accreditation

Service agreements are developed between the Ministry of Community and Social Services and the service provider.

Inspections

There is no formal inspection process. Programs are monitored by Ministry staff. (See Accountability)

Accountability

The Ministry states that licensing reviews "are not applicable since this is an adult program." Upon request, providers must submit an audited financial statement. Program guidelines are outlined in the Support Services Program Manual and Attendant Care Outreach Program Guidelines.

Expenditures

Total:	$10,000,000
Public Sector:	0
Private–not–for–profit:	$9,890,000 (98.9%)
Private–for–profit:	$110,000 (1.1%)

In constant dollars, expenditures have increased from $147,275.41 in 1977/78 to an estimated $9,063,444.12 in 1986/87. This represents an average annual change of 74.7%.

Funding

The Ministry of Community and Social Services pays 100% of operating costs.

Service Statistics

# of Individuals Served
- 420 through 20 outreach programs
- 669 living units in 54 projects

TABLE 1

ATTENDANT CARE SERVICES – EXPENDITURES
1976/77 – 1986/87

	Attendant Care	Total Attendant Care as a % of Ministry Expenditures	Ministry of Community and Social Services	Constant Dollars 1981=100	% Change
1976/77	N/A	N/A	1,036	N/A	N/A
1977/78	100,000	0.009%	1,137	147,275.41	N/A
1978/79	200,000	0.016%	1,228	270,636.00	83.8%
1979/80	900,000	0.067%	1,345	1,115,241.63	312.1%
1980/81	2,000,000	0.131%	1,528	2,249,718.80	101.7%
1981/82	2,000,000	0.113%	1,772	2,000,000.00	–11.1%
1982/83	4,000,000	0.188%	2,125	3,610,108.30	80.5%
1983/84	5,000,000	0.208%	2,403	4,266,211.60	18.2%
1984/85	7,000,000	0.269%	2,604	5,723,630.42	34.2%
1985/86	10,000,000	0.348%	2,872	7,861,635.22	37.4%
1986/87*	12,000,000	0.391%	3,066	9,063,444.12	15.3%
Total % Change 1976/77 –1986/87:	11900.0%	4350.1%	195.9%	6054.1%	
Average Annual Change				74.7%	

*estimated figures

Source: Compiled from Ontario, Ministry of Community and Social Services, Estimates – Briefing Books 1978/79 – 1986/87; and
Ontario, Ministry of Treasury and Economics, Public Accounts 1977/78 – 1985/86; and
Ontario, Management Board of Cabinet, Expenditures Estimates 1986/87.

5) PURCHASE OF COUNSELLING

Ministry Division: Family Service and Income Maintenance

Legislation: General Welfare Assistance, Ministry of Community and Social Services Act.

Clientele: Individuals or families who need counselling on employment, interpersonal relationships, financial problems

Program Description: See Above.

Number of Providers

The Ministry of Community and Social Services was not able to provide information on the total number of providers in this program.

Information was provided on contracts with private–for–profit providers. The Ministry has 3 contracts with private–for–profit agencies and 2 contracts with private individuals with details as follows:

1. The Ministry of Community and Social Services has a contract with E.T. and B. Associates, Ottawa to provide family counselling services for the Town of Renfrew. The contract is in place for 86/87 for a cost of $800.00. Historical information on this contract was not provided.

2. The Ministry of Community and Social Services has a contract with an individual in Windsor to provide "culturally sensitive counselling" to members of the Walpole Indian Band as no native persons are available in local counselling agencies. Yearly cost is $31,200.00. Historical information on this contract was not provided.

3. The Municipality of Halton has a contract with Ontario Family Guidance Centres to provide family/individual counselling to the areas of Georgetown, Milton, and Halton Hills. Yearly cost is $65,142.00. The contract is for a three year period. The Ministry of Community and Social Services pays 80% of the cost.

4. The Municipality of Halton has a contract with an individual to provide individual and group counselling . Yearly cost is $29,576.00. The Ministry pays 80% of the cost. The Ministry reports the contract is "over a number of years."

5. The Municipality of Peel has a contract with an agency to provide individual counselling. Yearly cost is $9,000.00. Historical information on this contract was not provided.

Finally, the Ministry of Community and Social Services had a contract with an individual in Peterborough which was terminated in the Fall of 1986. The contract was in place for 5 years and has now been taken over by the Regional Municipality of Durham. Annual amount of the contract is $33,777.00

The Ministry of Community and Social Services reports that similar information for 1976 – 1985 is not available.

Methods of Approval and/or Accreditation

Services are purchased according to client need. There is no formal accreditation process.

Inspections

There are no formal inspections. See accountability.

Accountability

The Ministry area office manager approves all contracts and is responsible for monitoring quarterly claim and statistical forms, fee recovery etc. The municipality involved is responsible for staff qualifications, proof of client eligibility and nature of counselling.

Expenditures

Total:	$6,027,908.40
Public Sector:	0
Private–not–for–profit:	$5,886,965.00 (97.7%)
Private–for–profit:	$140,943.40 COMSOC portion (2.3%)

Funding

Services can be purchased through an Indian Band, a municipality or directly through the Ministry of Community and Social Services. The municipal and Band purchase of service receives an 80% subsidy. The Ministry purchase is funded 100% by the Ministry.

Federal cost–sharing of this program as a "welfare service" under the Canada Assistance Plan restricts providers to the not–for–profit sector unless they are not available.

Charges

Clients are needs tested and may be required to pay a portion of the fee in conjunction with a government subsidy. Fees differ from agency to agency and will vary depending on the type of service being provided.

6) MUNICIPAL AND CHARITABLE HOMES FOR THE AGED

Ministry Division: Community Services

Legislation: Homes for the Aged and Rest Homes Act (Municipal)
Charitable Institutions Act (Charitable Homes)

Clientele: Seniors

Program Description:

Residential Care: board and lodging, supervision

Extended Care: board and lodging and minimum of 1.5 hours of nursing care per day

Satellite Beds: muncipal homes may purchase beds in other facilities

Number of Facilities

Total:	182 homes
Public Sector:	89 municipal homes
Private–not–for–profit:	93 charitable homes 7 operators provide satellite beds
Private–for–profit:	45 operators provide satellite beds (See Table 1)

While there are no for–profit homes for the aged, there are satellite beds which have been set up in other institutions which can be for–profit. At present 71% of satellite beds are in the private–for–profit sector which is 1.9% of the total number of beds in the system.

The Ministry of Community and Social Services states that information on satellite beds for the years 1976 to 1985 is not available.

Methods of Approval and/Accreditation

Operator must apply to the Ministry of Community and Social Services for a license.

Inspections

Under the Charitable Institutions Act, a provincial supervisor is to inspect each charitable institution to determine compliance with the Act and the Regulations (fire safety, hygiene, diet, medical services, physical conditions and financial measures such as separate bank account for money held in trust by the home on behalf of residents). Furthermore, the Ministry of Health employs health care consultants who review homes independently or at the request of program supervisors.

At the time of the Provincial Auditor's report in 1986, the Ministry of Community and Social Services had no formal guidelines for the frequency, extent or reporting of inspections. The Ministry reported that guidelines were not in place as a study is underway on the accountability process between the Ministry and agencies receiving funding.

The Provincial Auditor's office audited 5 area offices responsible for a total of 83 homes. A review of 41 files indicated the following:

- 39 files had dietary reviews (95.1%)
- 31 files had fire inspections (75.6%)
- 25 files had nursing or level of care reviews (60.9%)
- 17 files had annual medical reports (41.5%)
- 13 files had annual building maintenance reports (31.7%)

The Auditor concluded "in light of time pressures, lack of specialized qualifications and their perceived role as liaison persons, the program supervisors had not followed systematic inspection routines.

Furthermore, inspection or other monitoring activities undertaken had seldom been adequately documented. The extent of documentation was left to the supervisors's discretion and normally consisted only of details of unusual incidents, but lacked any evidence of the extent of monitoring activities."

With reference to the Ministry of Health health care consultants, the Auditor stated, "the statistics maintained by the Ministry indicated that in the 32 months ended November 30, 1985, only 44% of Homes had had a nursing or level of care review completed."

On December 15, 1986 the Minister of Community and Social Services responded to the Provincial Auditor's report. The Minister stated that he did not agree with the Ministry carrying out detailed inspections of homes. Furthermore, he stated that the management of the home is the responsibility of the board of directors for each home and that the Ministry is starting a training program for new board members.

Accountability

Charitable Homes report to a Board of Directors and Municipal Homes report to a management committee and/or elected officials. Quarterly financial reports are required as well as an annual budget and an audited financial statement.

Expenditures

Total:	$263,510,000
Public Sector:	$214,455,000 municipal (81.4%)
Private-not-for-profit:	$49,055,000 charitable (18.5%)
Private-for-profit:	Separate estimates were not provided on expenditures for satellite beds.

In nominal terms, Provincial expenditures on homes for the aged almost tripled between 1976/77 and 1986/87, rising from $94 million to $263 million. (See Table 2) Expenditures on Homes for the Aged as a proportion of total Ministry of Community and Social Services' expenditures have decreased from 9.1% in 1976/77 to 8.6% in 1986/87 (estimated).

Costs

The Ministry of Community and Social Services reported that per diem data from 1976 – 1984 was unavailable. Per diem rates were provided as of 31 December 1985. The range was as follows:

Charitable Homes	residential $9.57 to $70.54 average – $30.49
	extended $41.91 to $136.96 average – $57.65
Municipal Homes	residential $20.96 to $69.95 average – $36.70
	extended $47.87 to $107.89 average – $71.99

These costs are based on total expenditures and total resident days. It was not possible to determine whether or not this range is growing or contracting over time. The Ministry of Community and Social Services states that information on per diem rates for the years 1976 to 1985 is not available.

Funding

Annual budgets must be submitted to area offices to determine per diem rates and subsidy levels. Costs excluded from the budget (and therefore the per diem rates) are: prescription drugs, non-prescription medications provided free of charge to residents, non-essential items such as televisions,

tobacco, private transportation costs, the cost of bonding the administrator,the cost of supplementary nurses or aides requested by the resident but not required in the opinion of the home's physician, depreciation, interest payments, and travel and expenses for boards or committees.

The Ministry of Community and Social Services does provide deficit funding for those charitable homes unable to meet expenses. Deficit funding has more than tripled between 1979/80 and 1985/86, (See Table 3) In nominal terms, the 1985/86 funding is as follows:

Providence Villa	$1,403,400
Baycrest Home for Aged	$4,202,900
CNIB (10 homes)	$54,700
St. Joseph's Villa	$518,000
St. Patrick's Homes	$258,000
Trillium Lodge	$74,400
Hillel Lodge	$227,300
Thompson House	$68,500
Fred Victor House	$91,400
Copernicus	$116,200
TOTAL	$7,015,300

It should be noted that in the fiscal year 1985/86, over $4 million of a total financing of $7 million went to one charitable home.

The Ministry of Community and Social Services also provides discretionary grants for capital costs. Total expenditures for this in 1985 were $9 million.

Charges

An approved ceiling is set by the Ministry of Community and Social Services for care in municipal and charitable homes. While the per diem varies from home to home, the approved ceiling is the same for all municipal and for all charitable homes.

Charges are as follows:

Municipal Homes

1. Residential Care

full pay resident:	pays 100% of per diem
part pay resident:	pays what they can of the per diem; remainder is cost-shared – 30% municipal and 70% COMSOC.
2. Extended Care:	approved ceiling $46.48
full pay resident:	pays a copayment of $20.23; COMSOC pays 100% of difference between copayment and approved ceiling – $26.25.
	If the per diem is higher that the ceiling, the difference is cost-shared – 30% municipal, 70% COMSOC.
part pay resident:	pays what they can of copayment; the difference is cost-shared – 30% municipal and 70% COMSOC
	COMSOC pays 100% of difference between copayment and approved ceiling – $26.25
	If the per diem is higher than the ceiling, the difference is cost-shared – 30% municipal and 70% COMSOC.

Charitable Homes

Approved Ceiling: $48.48

1. Residential Care

full pay resident: pays 100% of per diem

part pay resident: pays what they can of the per diem and COMSOC pays the difference up to 80% of the ceiling

If the per diem is higher than the approved ceiling, the Home is responsible for 100% of the difference.

2. Extended Care:

full pay resident: pays a copayment of $20.23; COMSOC pays 100% of difference between the copayment and the ceiling – $28.25

If the per diem is higher than the approved ceiling, the Home is responsible for 100% of the difference.

part pay resident: pays what they can of copayment; remainder is cost–shared – 20% by Home and 80% by COMSOC. COMSOC pays 100% of the difference between copayment and the ceiling – $28.25

If the per diem is higher than the approved ceiling, the Home is responsible for 100%.

A schematic presentation of charges is presented in figures 1–4.

Service Statistics

# of Beds:

satellite beds –	799 (2.7% of total beds)		
municipal –	residential care	8,099	
	extended care	10,628	
		18,727	(63.3% of total beds)
charitable –	residential care	6,763	
	extended care	3,298	
		10,061	(34.0% of total beds)
TOTAL:		29,587	

The only information received for which there was historical data pertains to the number of beds in homes for the aged used as extended care beds. (See Table 4) These figures indicate that the number of nursing care beds in all provincial homes for the aged remained fairly stable between 1979 and 1983 but appear to be increasing since 1983.

It should be noted that in 1985, the only year for which there is a breakdown, 77% of all extended care beds were found in municipal homes.

TABLE 1

Satellite Beds For Homes for the Aged, 1986

Hornepayne Hospital	12
Cumberland Hall	42
Fairvern Home	24
Hearst Home	12
Oshawa	9
Marionhill	20
Alona College – St. Thomas	32
Byrne Rest Home	15
Cedar Brook Lodge	150
New Horizons Tower	45
Spenser House	151
Albion Lodge	80
Willowdale Manor	30
Greenview Lodge	60
High Park Villa	24
Harold & Grace Baker Centre	17
White Door Lodge	16
Cowan Avenue	14
Stephenson House	8
Rotary Laughlen Centre	30
Total	791

Source: Ontario, Ministry of Community and Social Services, unpublished data, December, 1986

TABLE 2

HOMES FOR THE AGED, PROVINCIAL EXPENDITURES, 1976/77 - 1986/87

Year	Total Expenditures	Constant $s 1981 = 100	% Change	Total Ministry Exp.	MCSS as a % of Total	Charit. Homes Exp.	Constant $s 1981 = 100	% Change	Mun. Homes Exp.	Constant $s 1981 = 100	% Change
1976/77	94	149,444	-	1,036	9.1	17	27,027	-	77	122,417	-
1977/78	104	153,166	2.5	1,137	9.1	19	27,982	3.5	85	125,184	2.3
1978/79	106	143,437	-6.4	1,228	8.6	20	27,063	-3.3	86	116,373	-7.0
1979/80	118	146,221	1.0	1,345	8.8	22	27,261	0.7	96	118,959	1.0
1980/81	132	148,481	1.5	1,528	8.6	24	26,996	-1.0	108	121,485	2.1
1981/82	156	156,000	5.1	1,772	8.8	28	28,000	3.7	128	128,000	5.4
1982/83	188	169,675	8.8	2,125	8.9	34	30,685	9.6	154	138,989	8.6
1983/84	201	171,502	1.1	2,403	8.4	37	31,569	2.9	164	139,932	0.7
1984/85	214	174,980	2.0	2,604	8.2	38	31,071	-1.6	176	143,908	2.8
1985/86	230	180,818	3.3	2,872	8.0	40	31,446	1.2	190	149,371	3.8
1986/87	263	198,640	9.9	3,066	8.6	49	37,009	17.7	214	161,631	8.2
Total % Change	179.8%	32.9%		195.9%		188.2%	36.9%		177.9%	32.0%	
Average Annual Change		2.9%					3.3%			2.8%	

Sources: Ontario, Ministry of Community and Social Services, Estimates - Briefing Books, 1978/79 to 1986/87 and

Ontario, Ministry of Treasury and Economics, Public Accounts, 1977/78 to 1985/86 and

Ontario, Management Board of Cabinet, Expenditure Estimates, 1986/87.

Table 3

Deficit Funding for Charitable Homes for the Aged, 1979/80 - 1985/86

	Total Deficit Funding (in $,000s)	% Change
1979/80	2,159.1	
1980/81	3,163.5	46.5%
1981/82	2,499.9	-21.0%
1982/83	3,155.3	26.2%
1983/84	4,246.8	34.6%
1984/85	5,833.9	37.4%
1985/86	7,015.3	20.3%
Total Change 1979/80 - 1985/86		224.9%

Source: Compiled from Ministry of Community and Social Services, Elderly Services Branch, unpublished data, January 1986.

Table 4

Extended Care Bed Utilization in Homes for the Aged, 1979 - 1985

	Number of Beds	% Change
1979*	12,333	
1980	12,262	-0.6%
1981	12,140	-1.0%
1982	12,280	1.2%
1983	12,517	1.9%
1984	12,843	2.6%
1985	13,447	4.7%
Total Change 1979 - 1985		9.0%

* As at December of each reporting period.

Note: In 1985, 3,125 nursing care beds were in charitable homes for the aged and 10,322 nursing care beds were in municipal homes for the aged.

Source: Compiled from Ministry of Health, Nursing Homes Branch, Ontario Extended Care Program, unpublished data, January 1986.

Figure 1 HOMES FOR THE AGED PAYMENT MECHANISMS

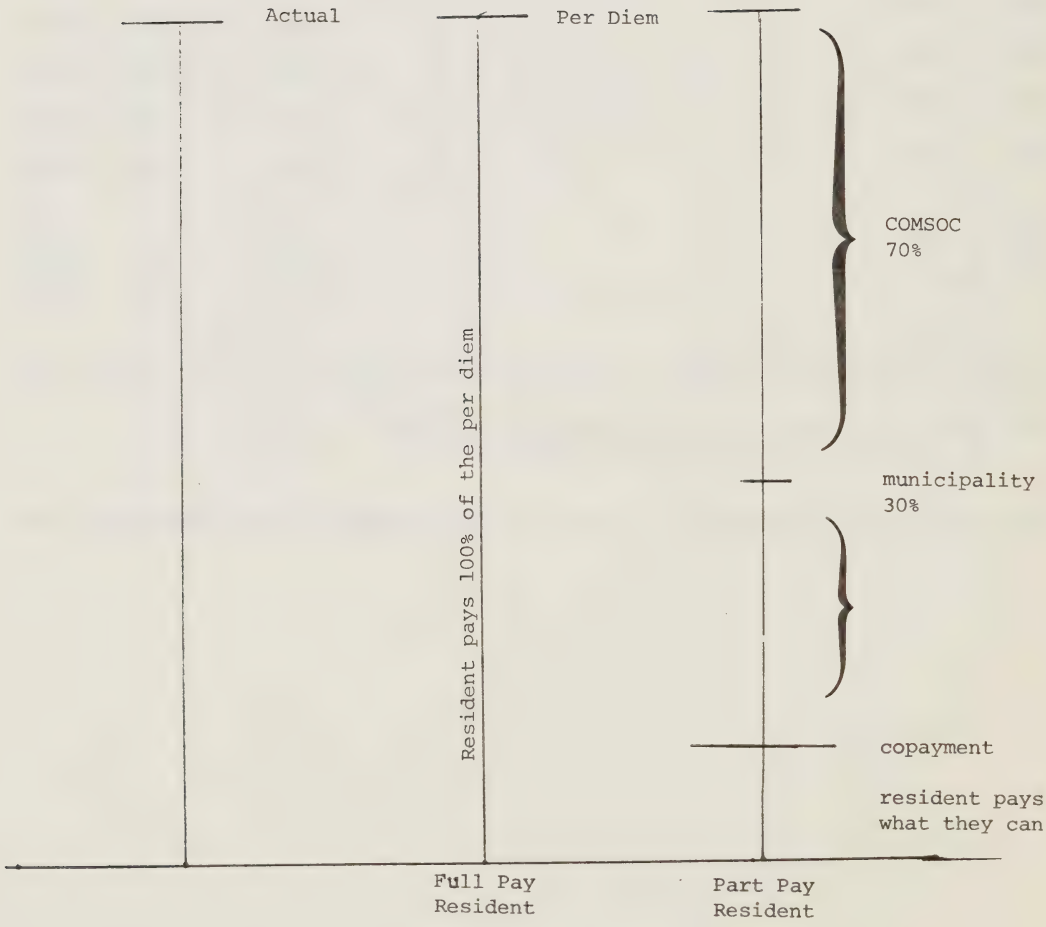


Figure 2 HOMES FOR THE AGED PAYMENT MECHANISMS

Municipal Homes Extended Care

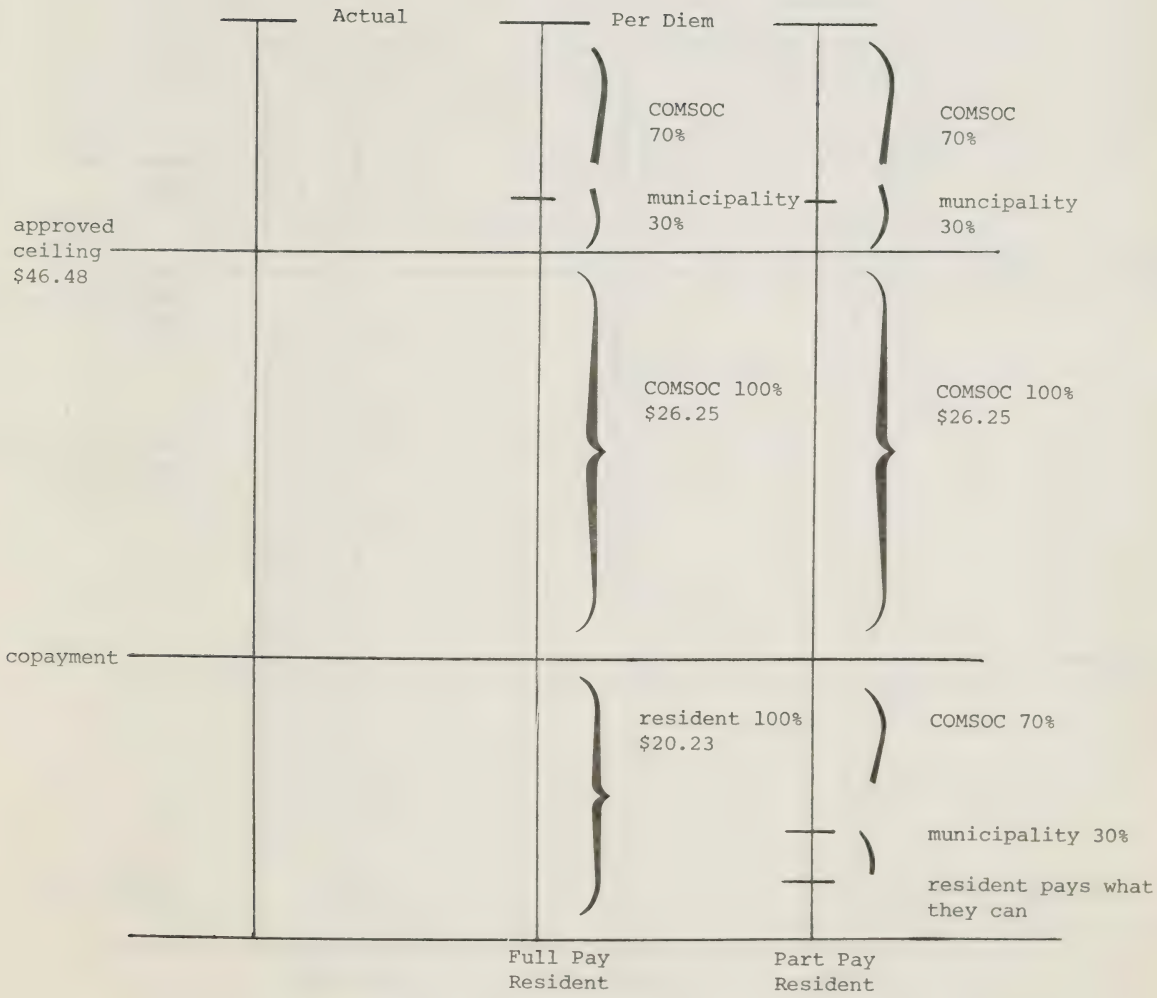


Figure 3 HOMES FOR THE AGED PAYMENT MECHANISMS

Charitable Homes Residential Care

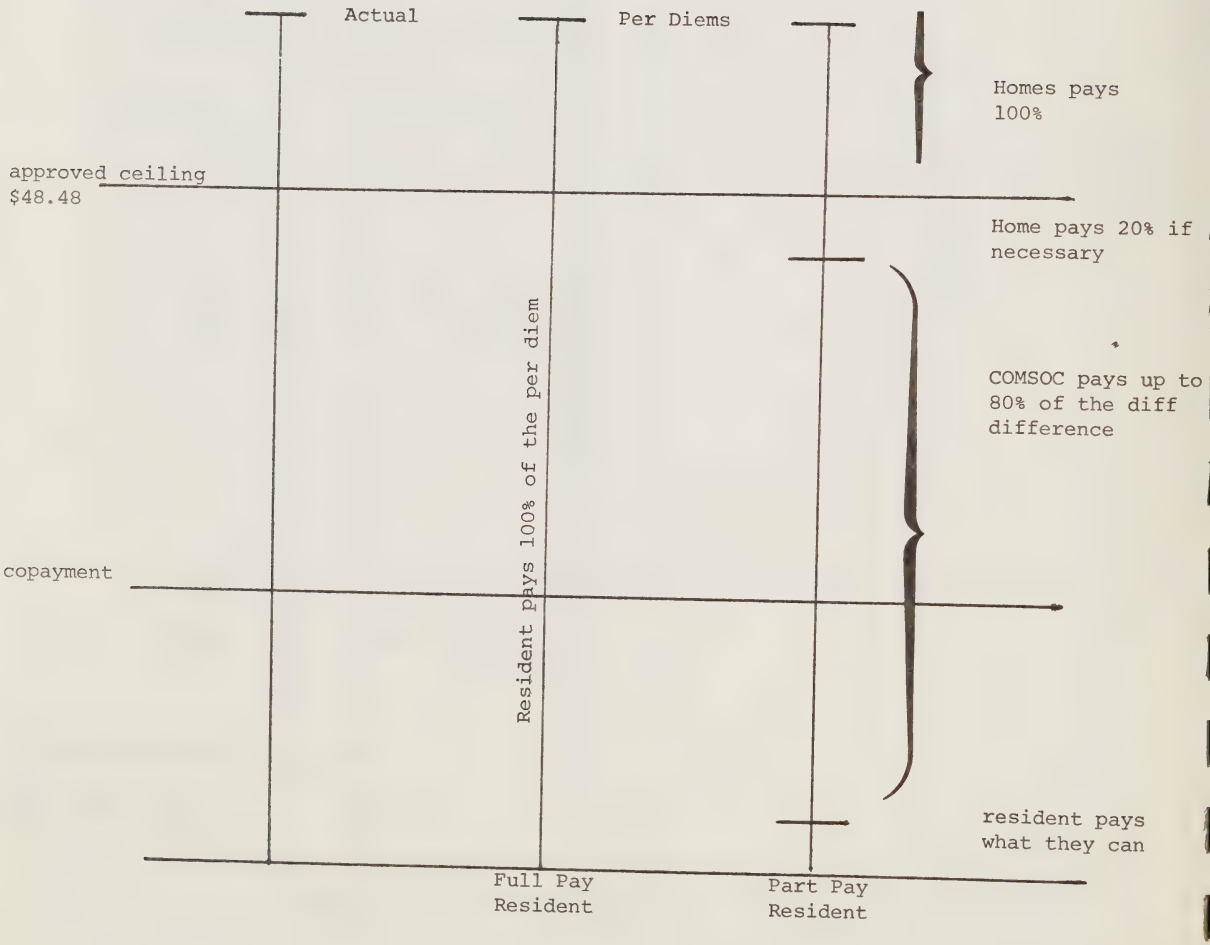
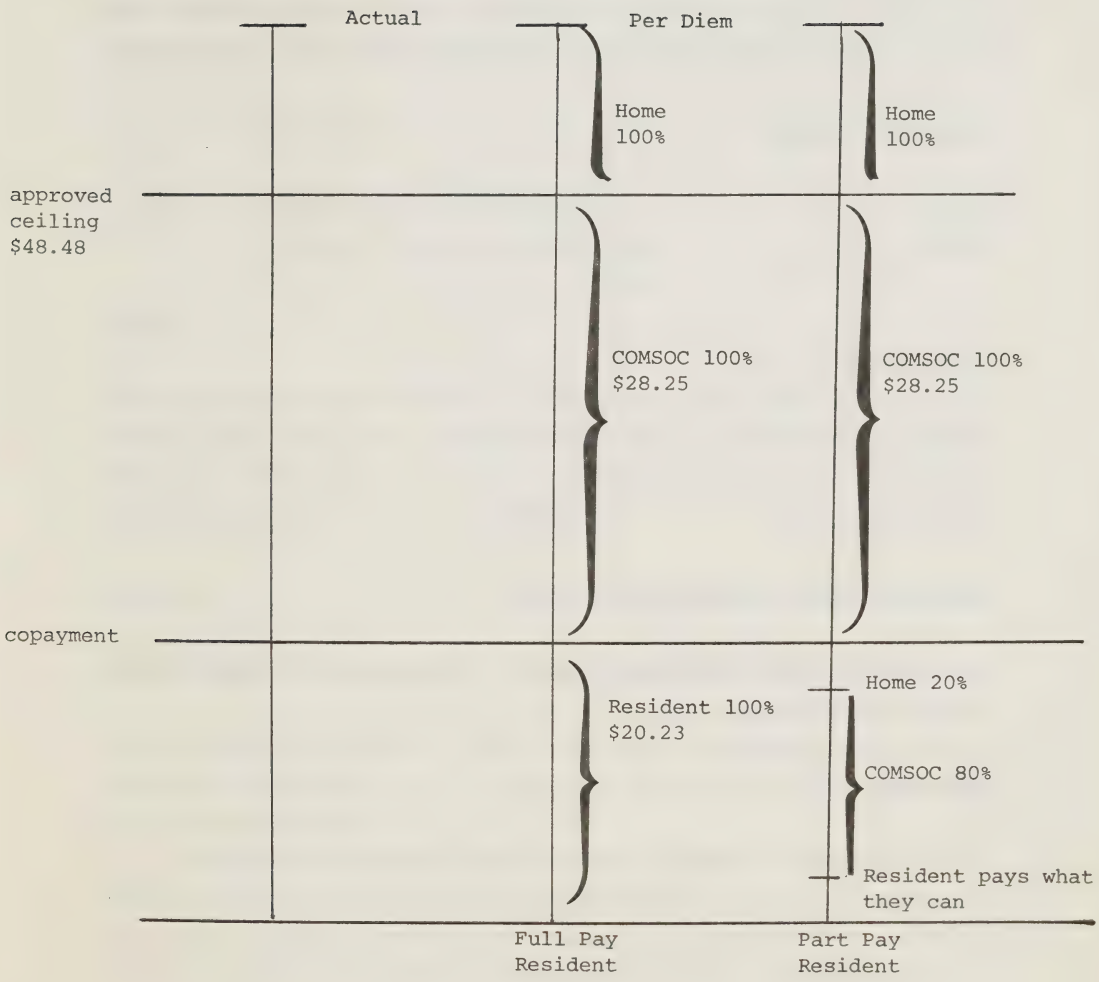


Figure 4 HOMES FOR THE AGED PAYMENT MECHANISMS



7) GROUP HOMES FOR THE DEVELOPMENTALLY HANDICAPPED

Ministry Division: Community Services

Legislation: Homes for Retarded Persons Act, Developmental Services Act

Clientele: Developmentally handicapped living in the community in small group settings.

Program Description: Group homes are set up to provide room and board, supervision and support services to residents. Support services include basic hygiene, domestic skills, food preparation and the use of public transportation.

Number of Facilities

Total:	75 (approximate) children's homes	
(84/85)	325 (approximate) adult homes	
	400	
Public Sector:	0	
Private-not-for-profit:	397	(99.2%)
Private-for-profit:	3	(0.8%)

Methods of Approval and/or Accreditation

The Boards for each agency must prepare a policy manual, admission criteria, budgets and annual reports.

Inspections

Program supervisors monitor homes and review programs for residents.

Accountability

Quarterly financial statements are submitted to the Ministry of Community and Social Services and year-end audited statements are required. The home's accounts must be available at all reasonable times. The agency Board is responsible for adhering to the Acts and their Regulations.

Expenditures

Total:	?
Public Sector:	?
Private-not-for-profit:	?
Private-for-profit:	$658,600

Costs

The range for per diems is $29.00 - $130.00 depending on the specific client group, support needs and/or prevailing community costs. The current average is $41.00. The Ministry of Community and Social Services reports that similar information for 1976 to 1985 is not available.

Funding

Homes budgets are negotiated with the appropriate area office.

Group homes for children are totally funded by the Ministry of Community and Social Service under the Developmental Services Act and/or The Child and Family Services Act.

Group homes for adults are funded under the Homes for Retarded Persons Act. The homes receive 80% of their budgets. The other 20% must be raised by the sponsoring organization and resident fees for accommodation and food.

Charges

Adult residents pay a fee for food and lodgings.

Corporate Concentration

The Ministry of Community and Social Services reports that there are no chain operations of group homes for the developmentally handicapped.

Service Statistics

Number of Residents:

Total:	3800 (approximate)
Public Sector:	0
Private-not-for-profit:	3774 in not-for-profit homes (99.3%)
Private-for-profit:	26 in for-profit homes (0.7%)

CATEGORY III – BETWEEN 5% AND 40% FOR–PROFIT ACTIVITY

1) SPECIAL SERVICES AT HOME (SSH) – Phase II

Ministry Division: Community Services

Legislation: The Child and Family Services Act, Developmental Service Act

Clientele: Developmentally handicapped under 18 living at home with their family

Program Description: SSH purchases services to assist parents in caring for their handicapped children. (transportation and lodging costs, parental relief, day care, babysitting, special diets). Highly individualized programs are designed to enable parents to keep their children at home. The program does not provide an allowance but rather a payment for services or equipment related to the child's needs.

Number of Providers

Information on the total number of contracts was not available. There are 745 contracts with for–profit providers. (See Table 1)

Methods of Approval and/or Accreditation

Parents must apply to the program for funding. Each application is reviewed to determine the appropriate amount of funding required. Assessment material includes a medical diagnostic assessment. A service contract between the service provider and the Area Manager is drawn up and signed along with a legal agreement if funds are needed in advance of service.

Inspections

There are no formal inspections. See accountability.

Accountability

Under the Child and Family Services Act, the Minister may grant "approved agency" status to a service provider. If a service provider is granted approved agency status, the regulations outline the type and frequency of reports, procedures for proof of delivery of services, and financial accountability. If the service provider does not have approved agency status, the Ministry is not able to request reconciliation statements. Annual estimates of costs of services may be requested as well as audited financial statements.

The Ministry's area office monitors program services, financial transactions and "customer satisfaction" of all providers. The monitoring of program services varies according to the contract held on behalf of each child. The Ministry reports that "agencies or parents might send either monthly progress reports from a behaviour management therapist or photographs of a child using new equipment" to the area office. Expectations of reporting are set out in the contract.

Expenditures

Total:	$5,947,400 (86/87 estimated)
Public Sector:	
Private–not–for–profit:	
Private–for–profit:	$170,000 (85/86)

Funding

The entire program is cost–shared with the Federal Government under the Canada Assistance Plan. The Ministry of Community and Social Services funds on a program–by–program basis.

Service Statistics

# of Children Served	– 3480
	– 744 served by the for–profit sector (21.4%)

TABLE 1

For-Profit Organizations with Contracts for Special Services at Home (SSH) (1986)

Southwest:	Comcare Paramed Medicare Upjohn Marg Kelly Nurses Registry Health Services Incorporated
Southeast:	Paramed Ottawa/Carlton Occupational Therapy Services Professional Health Care Services Dr. G.J. Lapur (Kingston) Frontenac Behavioural Associates Comcare Valmed Services
Central:	York Paediatric Therapy Services Mark D'Rozario Comcare Allison Palmer Bayview Glen Junior Schools Ltd.
North:	Kimberly Health Care Personnel
	"Further information unavailable at present"

Source: Ontario, Ministry of Community and Social Services, unpublished data, November, 1986

2) APPROVED HOME PROGRAM

Ministry Division: Community Services

Legislation: Developmental Services Act

Clientele: Developmentally handicapped living in small group settings in the community

Program Description: Small group living for developmentally handicapped in a community-based setting. Room, board and supervision are provided as well as any professional services that may be required. Operated by Schedule I facilities as a counterpart to the Ministry of Health residential Homes for Special Care. The Schedule I Facility provides professional/support services to residents if necessary. This is usually done through day programs.

Number of Facilities

Total:	40 homes
Public Sector:	0
Private-not-for-profit:	34 homes (85%) approximately
Private-for-profit:	6 homes (15%) approximately

It should be noted that the Ministry of Community and Social Services is not funding any more approved home programs as other programs have been developed to replace them (family home program and group homes).

Methods of Approval and/or Accreditation

Schedule 1 Facility must approve the home. Each Schedule I Facility supervises the homes and must develop its own set of standards which they monitor.

Inspections

There are no formal inspections. The Ministry of Community and Social Services regularly monitor the program's clients.

Accountability

The Schedule I Facilities' social work departments are responsible for the management and administration of the program. Financial documents must be submitted quarterly by the homes along with annual budgets.

Expenditures

Total:	?
Public Sector:	?
Private-not-for-profit:	?
Private-for-profit:	?

Costs

Homes are reimbursed on a per diem basis which in 1985/86 was approximately $20 – $25 a day.

Funding

Budgets are negotiated and submitted to area offices in order to set per diems. Funding goes directly to operators.

Service Statistics

# of Residents – 71

3) HOMEMAKER AND NURSES SERVICES & INTEGRATED HOMEMAKER PROGRAM

Ministry Division: Community Services

Legislation: The Homemaker and Nurses Services Act

Clientele: Elderly, handicapped or convalescent adults needing services in their homes.

Program Description: Services provided include preparing meals, shopping, doing light laundry, cleaning, personal grooming, nursing (change dressings, give injections). The Integrated Homemakers Program delivers similar services to the frail elderly and disabled adults through the Ministry of Health's Home Care Program.

Number of Providers: The Ministry of Community and Social Services reports that it does not collect statistics in terms of the number of providers.

Methods of Approval and/or Accreditation

Clients must be referred by a physician in order to receive service. Service is purchased by municipalities, Indian Bands and the Ministry of Health Home Care Units from Ministry of Community and Social Services approved providers.

Inspections

There are no formal inspections. See accountability.

Accountability

Ministry staff monitor delivery of service. The financial records and account of municipalities and bands are open for audit.

Expenditures

Total:	$22,189,914
Public Sector:	0
Private–not–for–profit:	$11,280,627 from municipalities $ 9,027,415 from COMSOC
Total:	$20,308,042 (91.5%)
Private–for–profit	$1,045,484 from municipalities 836,388 from COMSOC
Total:	$1,881,872 (8.5%)

Integrated Homemakers Program
- $8.5 million for six pilot projects
- $12 million for 10 more pilot projects planned for 1986/87

Funding

Municipalities or Indian Bands may employ nurses or homemakers directly or may purchase services from an agency (not–for–profit or for–profit). The Ministry of Community and Social Services cost–shares this on an 80/20 basis.

In the Integrated Homemakers Program, the Ministry of Health's Home Care Units purchase services from an agency (not–for–profit or for–profit). This program is funded 100% by the Ministry of Community and Social Services.

Charges

Services are provided on a hourly rate which varies from area to area. The only available figures were 1985. These rates varied from a low of $3.50 an hour in Assiginack Township and Whitefish River Band to a high of $10.17 in Ottawa–Carleton Regional Municipality.

Service Statistics

# of Cases	– Nursing	– purchased	–	6580	(98.5%)
		– direct	–	100	(1.5%)
		Total:	–	6680	
	– Homemaking	– purchased	–	27,658	(66.3%)
		– direct	–	14,085	(33.7%)
		Total	–	41,743	

Hours of Service:

Total Nursing and Homemaking: 2,085,373

Total not–for–profit: 1,919,368 (92.1%)

Total for–profit: 175,005 (8.3%)

The Ministry of Community and Social Services states that similar information for the years 1976 to 1985 is not available.

CATEGORY IV – GREATER THAN 40% FOR–PROFIT ACTIVITY

1) MUNICIPAL HOSTELS

Ministry Division: Family Services and Income Maintenance

Legislation: General Welfare Assistance Act, Ministry of Community and Social Services Act

Clientele: Individuals or families in transit or in emergency situations.

Program Description: Hostel facilities are provided at the discretion of municipalities for the elderly, ex–psychiatric patients, those with alcohol addiction problems, battered women and their children, transients and the homeless.

Number of Facilities

Total:	400 approximately*
Public Sector:	2% municipal
Private–Not–For–Profit:	28% charitable
Private–For–Profit:	70%

* These statistics are based on a 1981 survey for the Ministry of Community and Social Services. A 1986 survey has been completed and is not yet available.

Methods of Approval and/or Accreditation

There are no provincial standards for municipal hostels. Operators must meet municipal by–laws for health and safety and zoning requirements.

Inspections

The Ministry of Community and Social Services does not undertake formal inspections of municipal hostels. See accountability.

Accountability

Generally, hostels are accountable to municipalities. The Ministry reports that as the majority of facilities are privately owned, audited statements are not received.

Some municipalities (Windsor, Ottawa, Hamilton) who purchase domiciliary hostel accommodation under the General Welfare Assistance Act write standards of care into the contract with the operator (room sizes, ventilation, bathing facilities etc).

Facilities for battered women and their children have a different procedure than other types of facilities As these facilities receive direct funding from the Ministry of Community and Social Services, they must provide audited financial statements to the Ministry.

Expenditures

$31,600,000

Costs

The Ministry of Community and Social Services reports that municipalities do not report operating or capital costs for hostels.

Funding

Under the General Welfare Assistance Act, there is cost-sharing for municipalities and Indian Bands – 50% federal government (through the Canada Assistance Plan), 30% provincial government and 20% municipal government.

The Ministry of Community and Social Services reimburses municipalities for 80% of their expenses up to a per diem ceiling of $25.00. Since 1984, hostels that serve battered women can receive additional funding through purchase of counselling or under the Ministry Act.

Charges

There is a per diem ceiling of $25.00. Municipalities can set their own per diem charge within the ceiling. There is some variation in the amount residents pay for room and board across municipalities.

Service Statistics

Services Were Purchased For :	9467	heads of families
	16,947	dependents
	110,337	single persons
Total:	136,751	

2) CHILDREN'S BOARDING HOMES AND EXTENDED FAMILY UNITS

Ministry Division: Community Services

Legislation: Child and Family Services Act, 1984

Clientele: Wards of the Children's Aid Society

Program Description: Boarding Homes are operated by private operators licensed by the province to provide residential care for children who are wards of the C.A.S.. Extended Family Homes are homes that are operated by a parent agency (i.e. Boarding Homes) to provide residential care in private family homes.

Number of Facilities

Total:	189 129	Boarding Homes Extended Family Units		
Public Sector:	0			
Private-Not-For-Profit:	0			
Private-For-Profit:	33	chain operators operate	– 110	Boarding Homes (58.2% of all Boarding Homes)
		operate	– 123	Extended Family Units (95.3% of all EFUs)
	79	individual operators operate	– 79	Boarding Homes (41.8% of all Boarding Homes)
		operate	– 6	Extended Family Units (4.7% of all EFUs)

Historical data are provided in Table 1. The Ministry of Community and Social Services reports that aggregate data on the total population of facilities and licensed capacity are not complete because data from 1976 – 1979, 1981 and 1982 were collected manually and are therefore not available.

However, it can be seen that from 1975 to 1980, the number of private boarding homes doubled from 134 to 269. By 1986, the total number of homes declined from 269 to 189. Since 1980, sixty private homes stopped providing services. Similarly, after an initial increase between 1975 and 1980, the annual capacity declined and facility size remained fairly stable.

Data on extended family units are even more limited as data are missing for the years 1975 – 1982 and as a consequence, total percentage changes could only be calculated for 1983 – 1986. Within the period there has been a great deal of fluctuation and no clear pattern emerges.

Methods of Approval and/or Accreditation

All homes must be licensed under the Child and Family Services Act.

New operators applying for a license must submit estimated financial statements projecting income and expenditures, proposed staffing figures, number of beds, and show compliance with the Act and the Regulations.

Inspections

The Ministry of Community and Social Services does undertake an on–site visit for license renewal. (See accountability).

Accountability

An annual rate review process allows the Ministry of Community and Social Services to review financial records. Licensees must submit verified financial statements showing revenue and expenditures, a completed staff time and expenditure analysis form, a residents' report and any intended program changes.

Compliance with the Act and Regulations must be demonstrated during on–site visits and regulation–by–regulation audit.

Records must be kept and made available to the Director of the area office upon request.

Expenditures

$26,000,000

Generally, government expenditures for children's boarding homes have shown little growth relative to the total growth in Ministry expenditures. Although expenditures increased by $6 million over the 1976 – 1986 period, as a percentage of total Ministry spending, they have decreased by 33.3%. (See Table 2)

Funding

There is no direct funding of operators by the Ministry of Community and Social Services. Each homes sells its services to the Children's Aid Society at a rate determined by the Ministry.

Charges

The Ministry of Community and Social Services in conjunction with each home sets a per diem rate which is given a yearly increase. The Ministry reports that the average per diem paid to operators in 1986 was $65.00. Table 3 provides per diems from 1982–1985, which in constant dollars represents an average annual increase of 4.5%. The Ministry reported that similar information for previous years was not available.

Patterns of Ownership

33 multiple operators (owning more that 1 home) own 110 Boarding Homes (58.2% of all Boarding Homes) with 799 beds (34.8% of all Boarding Home beds) and 123 Extended Family Units (95.3% of all Extended Family Units) with 464 beds (94.7% of all Extended Family Unit beds).

Corporate Concentration

It should be noted that figures cited in this section may tend to underestimate the degree of concentration because calculations were based on Ministry data which only specify operator name and address. Thus, several different numbered companies may own a number of chains and may be owned by one individual or a corporation.

Tables 4 and 5 indicate that individual and chain operators share roughly the same number of beds in private boarding homes. Thirty-three chains control 112 (nearly 60%) of the total 189 facilities. This suggests that the average sized facility controlled by chains may be smaller (average 7 beds per facility) than those owned by individuals (average 9 beds per facility). The exception to this is Bluewater and Nairn Family Homes which operate "dormitory-type facilities."

The top 5 chain operators own 16.4% of all boarding homes and 15.9% of all boarding home beds. The top 10 chain operators own 30.2% of all boarding homes and 29.2% of all boarding home beds.

Like boarding homes, extended family units owned by chains are slightly smaller (average 3.8 beds per facility) than those owned by individuals (4.3 beds per facility).

While extended family units provide service to a smaller global client population than that which exists for private boarding homes, corporate concentration is much higher.

Of the 129 extended family units operating in 1986, 123 (95%) were owned by chains, the remaining 6 were owned by individuals. Whereas boarding home chains operate, on average, 3 facilities, extended family unit chains run, on average, 14 facilities.

The top five chain operators own 78.3% of all extended family units and 87.1% of all extended family unit beds. The top 10 chain operators own 82.2% of all extended family units and 90.4% of all extended family unit beds. It should be noted however, that the top chain in this service, Ausable Springs, owns 49.6% of extended family units and 53.9% of all extended family unit beds in the Province.

In terms of the total number of beds in both Boarding Homes and Extended Family Units, the top 5 chain operators own 33.4% of all beds and the top 10 chain operators own 44.0% of all beds. (See Table 6)

Service Statistics

# of Beds:

Boarding Homes – 1,512	– 799	owned by multiple operators	52.8%
	– 713	owned by individual operators	47.2%
Extended Family Units – 490	– 464	owned by multiple operators	94.7%
	– 26	owned by individual operators	5.3%

Age of Residents – 64.0% of residents are 14–16 years of age
– 17.9% of residents are over 16 years of age

Occupancy rate – the Ministry of Community and Social Services reports that its tracking system does not keep capacity records on a daily basis. However, the system generally operates at 75% capacity.

Average Length of Stay – 17.6% of residents remain in a facility longer than one year.

Table 1

Total Population of Children's Boarding Homes and Extended Family Units, Ontario, 1975 - 1986

	Private Homes				Extended Family Units			
	Number of Homes	% Change	Capacity	% Change	Number of Homes	% Change	Approved Capacity	% Change
1975	134		1156		N.A.		N.A.	
1980	269	100.7%	2021	74.8%	N.A.		N.A.	
1983	215	-20.1%	1708	-15.5%	111		460	
1984	200	-7.0%	1623	-5.0%	126	13	522	13.5%
1985	196	-2.0%	1586	-2.3%	131	4	494	-5.4%
1986	189	-3.6%	1512	-4.7%	129	-1	490	-0.8%
Total Change 1975 - 1986		41.0%		30.8%		16.2%		6.5%

Note: Figures in brackets represent the data made available in November 1986 by the Ministry of Community and Social Services.

Source: Compiled from - 1975-1980 Children's Residential Research Study; 1983-1986 Child Advocacy Information System; Ministry of Community and Social Services, Information Systems and Applied Technology, Technology Support Branch, November 1986.

Table 2

Boarding Homes* - Provincial Expenditures, 1976/77 - 1986/87

(in $, 000,000)

	Gross Provincial Product	MCSS Expenditures	% Change in MCSS	Boarding Home Expenditures	% Change	Home as % of MCSS Expenditures	% Change
1976/77	76,292	1,036		6		0.6	
1977/78	83,838	1,137	9.7	6	0.0	0.5	-16.7
1978/79	92,077	1,228	8.0	7	16.7	0.6	20.0
1979/80	104,152	1,345	9.5	8	14.3	0.6	0.0
1980/81	115,649	1,528	13.6	8	0.0	0.5	-16.7
1981/82	129,514	1,772	16.0	9	12.5	0.5	0.0
1982/83	136,088	2,125	19.9	10	11.1	0.5	0.0
1983/84	151,962	2,403	13.1	11	10.0	0.5	0.0
1984/85	166,809	2,604	8.4	11	0.0	0.4	-20.0
1985/86	177,059	2,872	10.3	11	0.0	0.4	0.0
1986/87+	191,200	3,066	6.8	12	9.1	0.4	0.0
total change	114,908	2,030	195.9	6	100.0		-33.3
average % change			11.5		7.4		-3.3

+ Estimated

* Includes children's boarding homes, residential care beds and counselling in homes.

Sources: Ontario, Ministry of Community and Social Services, Estimates, 1976/77 - 1985/86.

TABLE 3

CHILDREN'S BOARDING HOME, PER DIEMS, 1982–1986

Year	Average Per Diem	% Change	Constant Dollars (1981=100)	% Change
1982	$45.65		$41.20	
1983	$51.57	13.0%	$44.00	6.8%
1984	$57.23	11.0%	$46.79	6.3%
1985	$60.31	5.4%	$47.41	1.3%
1986	$65.00	7.8%	$49.09	3.5%
Total Change	42.4%		19.2%	
Average Annual Change	9.3%		4.5%	

Source: Ontario, Ministry of Community and Social Services, unpublished data, January 1987.

Table 4

Top 10 Boarding Home Operators
(ranked by # of beds)

Rank	Operator	# BH	%	# Beds	%	# EFH	%	# Beds	%	Total Beds	%
1	Ausable Springs	3	1.6	32	2.1	64	49.6	264	53.9	296	14.8
2	Nairn Family Homes*	1	0.53	39	2.6	14	10.9	91	18.6	130	6.5
3	Storey Group Homes	15	7.9	68	4.5	5	3.9	16	3.3	84	4.2
4	Bluewater*	1	0.53	45	3.0	13	10.1	38	7.8	83	4.1
5	Stewart Homes	11	5.8	57	3.8	5	3.9	18	3.7	75	3.8
	Sub-Total	31	16.4	241	15.9	101	78.3	427	87.1	668	33.4
6	Pioneer Youth Services	6	3.2	52	3.4	1	0.78	3	0.61	55	2.7
7	Viking House	7	3.7	50	3.3	-	-	-	-	50	2.5
8	Bob Connor	6	3.2	28	1.9	3	2.3	10	2.0	38	1.9
9	Oakdale Children's Home	4	2.1	34	2.2	1	0.78	3	0.61	37	1.8
10	Homestake House	3	1.6	36	2.4	-	-	-	-	36	1.8
	Total	57	30.2	441	29.2	106	82.2	443	90.4	881	44.0
	Provincial Total	189		1512		129		490		2002	

(#1-9 have been identified by COMSOC as for-profit operators)

* Boarding homes owned by Bluewater and Nairn are not home settings. COMSOC refers to this as a "campus type setting." For statistical purposes, however, it is treated as one home.

Children's Boarding Homes in Ontario - Private Homes, 1986.

Description of Population*:

Type of Operator	Number of Operators	Total Licenced Capacity	Average Licenced Capacity
individual operators	79	713	9.0
chains	33	799	24.2
Total Population:	112 (189 homes)	1512	13.5 (8 per home)

Children's Boarding Homes in Ontario - Extended Family Units, 1986.

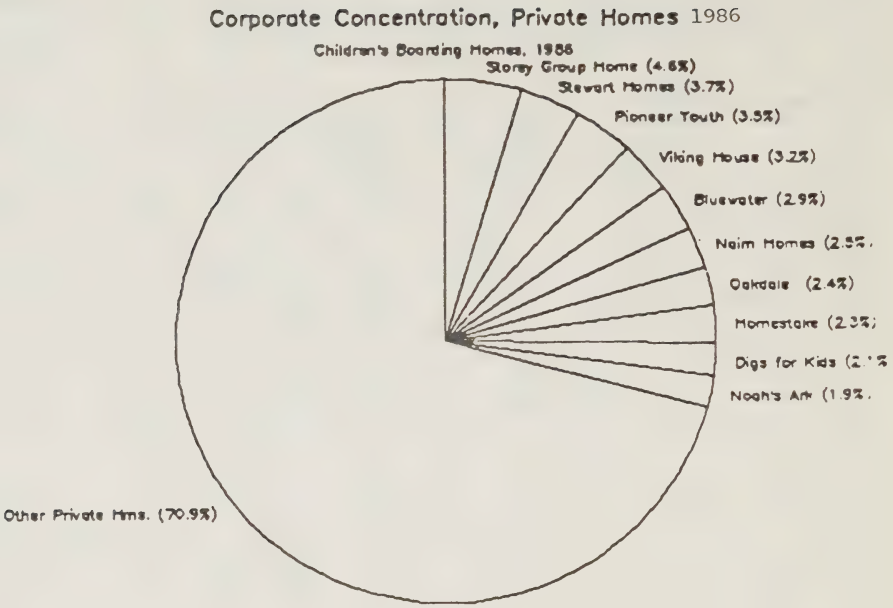
Description of Population*:

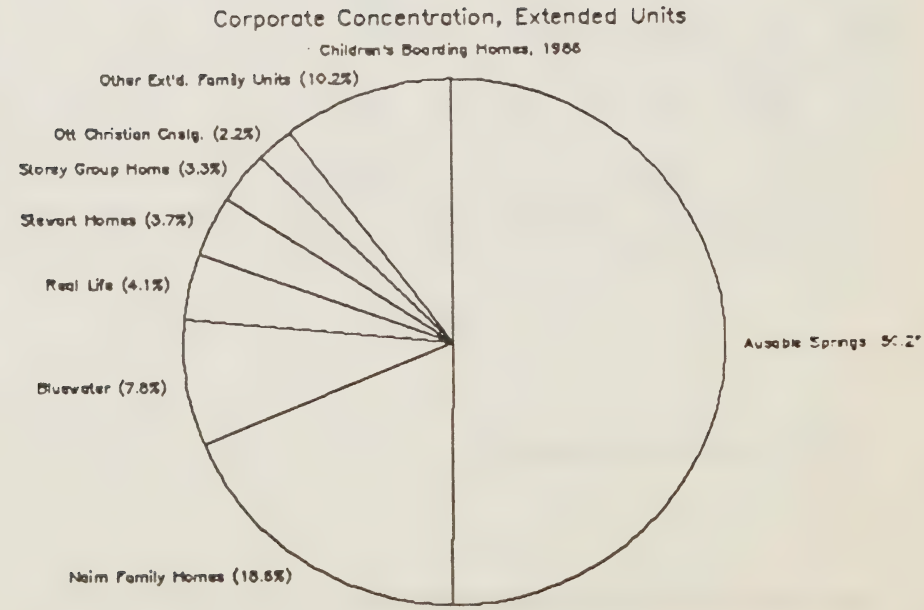
Type of Operator	Number of Operators	Total Licenced Capacity	Average Licenced Capacity
individual operators	6	26	4.3
chains	9	464	51.6
Total Population	15 (129 units)	490	32.7 (3.8 per home)

* Based on Ministry figures as of December 1986.

Source: Compiled from Ministry of Community and Social Services unpublished data, December 1986.

Table 6


Corporate Concentration, Private Homes 1986
Children's Boarding Homes, 1986
Storey Group Home (4.6%)
Stewart Homes (3.7%)
Pioneer Youth (3.5%)
Viking House (3.2%)
Bluewater (2.9%)
Naim Homes (2.5%)
Oakdale (2.4%)
Homestake (2.3%)
Digs for Kids (2.1%
Noah's Ark (1.9%)
Other Private Hms. (70.9%)


Corporate Concentration, Extended Units
Children's Boarding Homes, 1986
Other Ext'd. Family Units (10.2%)
Ott Christian Cnslg. (2.2%)
Storey Group Home (3.3%)
Stewart Homes (3.7%)
Real Life (4.1%)
Bluewater (7.8%)
Ausable Springs
Naim Family Homes (18.8%)

3) FOSTER CARE

Ministry Division: Community Services

Legislation: Child and Family Services Act, 1984

Clientele: Wards of the Children's Aid Society

Program Description: Program provides foster care for 4 or fewer children in each setting under the supervision of a licensee (there can be exceptions). Homes are broken into two types; those operated by the Children's Aid Society and those not operated by the Children's Aid Society.

Number of Facilities

Total:	4,854	– 598 are non–CAS	(12.3%)
		– 4256 are CAS	(87.7%)
Public Sector:	0		
Private–Not–For–Profit:	455 non–CAS (9.4% of total)		
Private–For–Profit:	143 non–CAS (2.9% of total)		
	4256 CAS (87.7% of total)		
	4399 homes (90.6%)		

This program has been defined as a for–profit service as care is given in private family dwellings and care givers are paid a daily rate. The Committee wishes to reiterate its earlier caution that operators in this program may not necessarily be motivated by profit–making considerations.

Since 1976, the number of Children's Aid Society approved homes has decreased 11.2%, from 6,243 to 4,256 in 1986. (See Table 1)

Table 2 contains a breakdown of non–CAS foster care homes.

Methods of Approval and/or Accreditation

The Ministry of Community and Social Services licenses each licensee rather than each home for a period of three years. Licensees are licensed under the Child and Family Services Act. The licensee must provide audited financial statements, staffing numbers, resident's reports, intended programs.

Inspections

The annual license review is considered to be a form of inspection. According to the Ministry of Community and Social Services, there is a formal review in the first year of a license and if the licensee is in full compliance, the licensee may complete their own review in conjunction with the area office for the subsequent two years of a license.

Accountability

The Children's Aid Society is responsible for those homes under its care. Private operators of non-CAS homes are monitored by Ministry staff.

Funding

The Ministry of Community and Social Services does not have a direct funding relationship with licensees. Agencies purchase services from the foster care operator.

Costs

The Ministry of Community and Social Services reports that the most recent figures available are for 1985. They are as follows:

Age	Central	West	East	North
0–6	$392.56	$360.20	$387.49	$372.01
7–12	439.64	457.36	434.65	421.56
13+	535.47	503.11	570.40	524.28

Service Statistics

Occupancy Rate – the 1986 occupancy rate for CAS homes was 64.3%. This represents a 20.6% decrease from the 1976 figure of 71.7%. (See Table 1)

Table 1

Children's Aid Society Foster Homes, Ontario, 1976 - 1986

	Number of Approved Homes	% Change	Number of Homes Occupied	% Change	Occupancy Rate
1976	6243		4480		71.8%
1977	6386	2.3%	4409	-1.6%	69.0%
1978	6562	2.8%	4619	4.8%	70.4%
1979	6686	1.9%	4456	-3.5%	66.6%
1980	6502	-2.8%	4265	-4.3%	65.6%
1981	6267	-3.6%	4101	-3.8%	65.4%
1982	6260	-0.1%	3934	-4.1%	62.8%
1983	6133	-2.0%	3792	-3.6%	61.8%
1984	5716	-6.8%	3633	-4.2%	63.6%
1985	5545	-3.0%	3558	-2.1%	64.2%
1986*	4256	-23.2%	2739	-23.0%	64.4%
Total Change 1976 - 1985		-11.2%		-20.6%	

* As at September 30, 1986. Information presented for other reporting years as at December 31st, 1986.

Source: Compiled from - 1976-1981 Children's Aid Society Form V, Provincial Summary;
1982-1986 Children's Aid Society Quarterly Reporting System, Provincial Summary.

Table 2

Non C.A.S. Foster Care Homes 1986

Region	# Operators Total	NFP	FP	# Homes Total	NFP	FP
East	18	9	9	456	420	36
West	9	0	9	89	0	89
North	12	2	10	41	31	10
Central	6	2	4	12	4	8
	45	13 (28.9%)	32 (71.1%)	598	455 (76.1%)	143 (23.9%)

Source: Ministry of Community and Social Services, unpublished data, January, 1987

4) CHILD CARE

The area of child care and the issues surrounding for-profit and not-for-profit delivery of services will be examined during the Committee's public hearings in the Spring of 1987.

Ministry Division: Family Services and Income Maintenance

Legislation: Day Nurseries Act

Clientele: infants and school age children

Program Description: Licensed day nurseries and private home day care provide day care services for children.

Comparing Not-for-Profit and For-Profit Child Care

In providing data on child care, the Ministry of Community and Social Services emphasized some of the difficulties in comparing not-for-profit and for-profit centers as the Day Nurseries Information System (DNIS), the primary collection source of information on child care, has a number of input deficiencies. The DNIS categorization does not include a non-profit category. A non-profit organization may be incorporated under the Cooperative Corporations Act or the Corporations Act. An organization incorporated under either legislation can choose to obtain charitable status (which means it must be non-profit). Thus, the non-charitable corporations category could include commercial endeavours and non-profits which have not obtained charitable status.

The DNIS category "Individuals for an Unincorporated Group" is defined as persons who act on behalf of a group not yet incorporated. It could therefore contain both non-profit unincorporated groups such as parent co-ops and profit groups not yet incorporated. The Ministry of Community and Social Services groups this category with other profit categories; however, as the breakdown within the category is not clear, it has been treated as a separate category for the purposes of this report.

Furthermore, according to the Ministry of Community and Social Services, the number of subsidized children reported by the DNIS is an underestimate. When a day nursery is opened, the number of subsidized children is not known and therefore not recorded. For centres with a large proportion of subsidized children it is assumed that the DNIS does not require this information and it is not recorded.

Finally, the DNIS can only provide data from 1980 onwards; thus, the statistical information is confined to 1980 – 1986. Furthermore, because data is reported on the anniversary date of individual nurseries, the information changes for each reporting period. Therefore, it is important to note the program run date indicated for each table when reviewing material.

Day Nurseries Operator Types

Not–For–Profit:

Approved Charitable:	corporation approved to receive a subsidy of 80% of approved operating costs for non–handicapped children. There is also an 80/20 cost sharing arrangement for minor and major capital expenses.
Approved Charitable Corporation:	corporation approved to receive a subsidy of 87% of approved operating costs for handicapped children under 5 and 100% of approved operating costs for handicapped children over 5. There is also an 80/20 cost sharing for minor and major capital expenses.
Charitable Corporation:	corporation without share capital which has objectives of a charitable nature and is incorporated under a general or specific Act. No one may personally profit from the corporation.
Indian Band:	an Indian Band may form a band council to provide the same services as a municipality.

Public Sector

Municipal Corporation:	municipality whose by–laws allow them to provide day nursery services, enter into agreements to provide private–home day care and provide puchase–of–service arrangements for those parents in need.

For-Profit

Non-Charitable Corporation: corporation which operates day nurseries on a for-profit basis.

Private Individual: a sole operator of day nursery services.

Other

Individual for an Unincorporated Group: a person who acts on behalf of an unincorporated group offering day nursery services.

Number of Facilities (as of June 1986)

Total:	2,127	centres	
Public Sector:	171	centres municipal	(8.0%)
Total	**171**		**(8.0%)**
Private-Not-For-Profit:	134	approved charitable	(6.3%)
	41	approved charit. hand.	(1.9%)
	764	charitable corporation	(34.9%)
	27	Indian Band	(1.3%)
Total	**966**		**(45.4%)**
Private-For-Profit:	450	non-charitable corp.	(21.2%)
	431	private individual	(20.3%)
Total	**881**		**(41.5%)**
Other:	109	individual for unincorporated group (for-profit & not-for-profit)	(5.1%)
Total	**109**		**(5.1%)**

By December of 1986, the market in Ontario for licensed day care nurseries was composed of 2226 centres with a total capacity of 82,280 spaces. (See Table 1)

The greatest increase in the number of day care facilities occurred in the private–not–for–profit sector where 376 centres were added since 1980. This represents a 58.4% increase in the number of facilities. The for–profit sector also showed steady growth over the period, with 262 additional centres providing a 39.8% increase. The number of public sector centres remained stable throughout the period until 1985/86 when 9 new facilities were opened, resulting in a 5.5% increase in facilities. There was a loss of 46 facilities operated by individuals for an unincorporated group, resulting in 28.9% decrease in facilities.

These developments have led to a moderate restructuring of the market over time. (See Table 2) The greatest gains over time were experienced in the private–not–for–profit sector. In 1979/80, the private–not–for–profit sector occupied 39.6% of the market. By 1986, this sector occupied 45.8% of the market, indicating a 6.2% increase in its share of the market.

The private–for–profit sector has remained relatively stable with a 40.5% share in 1980 and a 41.3% share in 1986. This represents an increase of 0.8% over the period.

The public sector market share has declined 2.3%, from 10.1% in 1980 to 7.8% in 1986.

The greatest loss of market share was experienced in the category of individual for an unincorporated group. In 1980, this category held 9.8% of the market which, by 1986, fell to 5.1%. This represents a decrease of 4.7%.

Methods of Approval and/or Accreditation

The Ministry of Community and Social Services issues licenses to day nurseries and private home day care agencies based on provincial standards laid out in the Day Nurseries Act and Regulations and program manuals.

Inspections

Each licensed centre undergoes an annual license review by Ministry of Community and Social Services child care consultants. The Ministry reports that each consultant maintains paper files on the centres for which they are responsible. As information is not kept on a centralized database regarding inspections and complaints, statistical information was not provided.

Accountability

All corporations must have an annual audit whether or not they receive government subsidies or not. Approved corporations, municipalities and Indian Bands are required to file financial statements, proof of audits, and if they have a cost sharing arrangement with the Ministry of Community and Social Services, annual budgets are submitted. Monthly subsidy claim forms are also submitted along with monthly attendance records for subsidized children.

Expenditures

Total:	$140,250,000
Municipalities:	$108,000,000 (77%)
Agencies:	$32,250,000 (23%)

With reference to expenditures, (See Table 3) the Ministry of Community and Social Services has increased its expenditures (constant dollars) on day care services from approximately $46 million to $108 million between 1976 – 1986.

Costs

The Ministry of Community and Social Services reports that it does not keep statistical information on operating and capital costs.

Funding

At present, the Ministry of Community and Social Services does not provide direct funding to commercial, for-profit operators. However, in a recent statement the Minister of Community and Social Services stated that as commercial operators constitute approximately 50% of the system, he would support direct grants to them. Furthermore, the Minister stated that grants to the commercial sector would be a topic of discussion between the provinces and the federal government.

At present, direct capital funding under the Day Nurseries Act is available only to municipalities, Indian Bands and approved charitable corporations.

Municipalities and Indian Bands may undertake purchase of service agreements with private-for-profit operators. The Ministry of Community and Social Services subsidizes 80% of net cost under these arrangements.

Subsidy budgets are negotiated annually with the area offices of the Ministry for municipalities, bands and approved corporations

Charges

Each centre sets rates for care. If parents cannot afford the full fee, they can apply for a purchase-of-service arrangement in which part or all of the fee is subsidized.

Pattern of Ownership

45.8% of centres and 40.9% of spaces are in the not-for-profit sector

41.3% of centres and 45.0% of spaces are in the for-profit sector

7.8% of centres and 10.2% of spaces are in the public sector

5.1% of centres and 3.9% of spaces are in the "other" category

Corporate Concentration

Ownership information is classified by operator type but information is not available on specific operators. Therefore, it is not possible to comment on corporate concentration.

Service Statistics

1) Number of Licensed Spaces

During the period 1980 – 1986, the number of licensed spaces has increased from 60,346 to 82,280, resulting in a 36.3% increase of 21,934 spaces. This increase has been distributed differentially across sectors. (See Table 4)

The private–not–for–profit sector has increased its licensed capacity from 20,926 to 33,686, resulting in a 61% increase of 12,760 spaces.

The private–for–profit sector has increased its licensed capacity from 26,746 to 37,023, resulting in a 38.4% increase of 10,277 spaces.

The public sector has increased its licensed capacity from 7905 to 8387, resulting in a 6.1% increase of 482 spaces.

The only category experiencing a loss in licensed capacity is that of individual for an unincorporated group. Licensed capacity fell from 4769 to 3184, resulting in a 33.2% decrease of 1585 spaces.

In turning to the market share of capacity for each sector, the pattern is similar to that of market share for the number of facilities. (See Table 5)

The private–not–for–profit sector increased its market share from 34.7% in 1980 to 40.9%, an increase of 6.2%. The private–for–profit sector increased its market share from 44.3% to 45.0%, an increase of 0.7%. The public sector experienced a decline in market share from 13.1% in 1980 to 10.2% in 1986. The category of individual for unincorporated group experienced a decline of 4.0%, from 7.9% in 1980 to 3.9% in 1986.

2) Size of Facilities

It appears that the public sector centres are the largest in the market with an average of 48.5 spaces per facility in 1986. This is an increase of 0.5 spaces per centre from the 1980 figure of 48.2. (It is important to note, however, that average size can sometimes obscure important structural differences due to the range of facility size. This is discussed later on in the report). (See Table 6)

The private-for-profit sector facilities are the next largest but there has been some fluctuation in average size over time. In 1986 the average size of facilities was 40.2 whereas in 1980, it was 40.6. This represents a loss of 0.4 spaces per facility.

The private-not-for-profit sector remained relatively stable with a slight increase of 0.5 spaces per facility.

The average size of the individual for unincorporated group decreased by 1.8 from 30.0 in 1980 to 28.2 in 1986.

Overall, the average capacity of the system remained very stable. The 1980 average capacity figure was 37.1 and in 1986 it was 37.0.

3) Market Clustering

Despite the fact that most facilities in the day care market are small, the total capacity provided by all licensed day nurseries is split fairly evenly between facilities with less than 45 spaces and those with more than 45 spaces. (See Table 7)

The majority of private-not-for-profit sector centres are small, with 77.9% providing services in facilities with less than 45 spaces. (See Table 7) This accounts for 57.3% of all spaces within the private-not-for-profit sector. (See Table 10)

Centres with less than 15 spaces account for only 4% of the total number of private-not-for-profit facilities and 1.3% of the total number of private-not-for-profit spaces. But within this category of less than 15 spaces, the private-not-for-profit sector dominates with 65.1% of all centres and 63.7% of all spaces. (See Tables 8 & 9)

For comparison, centres with 120+ spaces account for only .6% of total private–not–for–profit centres and 2.4% of total private–not–for–profit spaces. Within this category, the private–not–for–profit sector accounts for 19.4% of centres and 17.5% of all spaces. (See Tables 8 & 9)

The distribution of for–profit centres is quite even throughout the entire range of facility size in the market, with the exception of the smallest and largest category. Centres with fewer than 15 spaces constitute 2.1% of for–profit operations and 0.6% of all for–profit spaces (See Tables 7 & 10); however, these small for–profit operations account for 30.2% of facilities within this category and 31.7% of capacity (See Tables 8 & 9).

The larger facilities (90–119, 120+) constitute only 5.8% of for–profit facilities and 16.8% of for–profit capacity. (See Tables 7 & 10) However, for–profit operations dominate these categories with 53 of 89 centres (59.6%) and 6222 of 10,204 spaces (61%).

Thus, data indicate that the for–profit sector is split into two clusters; one in the small to medium facility size range and a smaller but significant cluster of facilities at the largest end of the spectrum.

Public sector operations are evenly distributed in the middle range of facility size with 54.9% of all facilities in the public sector and 65.1% of total capacity in the public sector falling in the 45–89 space range. (See Tables 7 & 10) It is of note that only 2 of 63 centres with less than 15 spaces are operated by the public sector (3.2%) and only 1 of 31 centres with 120+ spaces (3.2%) is operated by this sector. A similar pattern emerges when capacity measures are used with the public sector holding 3.2% of capacity in the lowest category and 3.0% of capacity in the highest category.

(Note that only about 2% of the total number of spaces offered by the not–for–profit and public sector are in facilities with more than 120 spaces, but roughly 10% of all spaces provided by the for–profit sector are found in this size of facility).

The final category, individuals for an unincorporated group, appears to consist of smaller sized facilities. The largest proportion of facilities (69.9%) and spaces (47.4%) for this category is found in facilities with 15–29 spaces. (See Tables 7 & 10) Facilities with less than 45 spaces account for 86.7% of all of this category's facilities and 67.9% of all spaces.

In sum, when examining market clustering by ownership types, there are clear distinctions in the developments which have taken place in this market since 1980. These changes have led to the majority of not–for–profit operations in facilities with small capacity and the majority of for–profit operation in the larger centres. Most public sector centres operate mid–to–large size facilities (between 45 and 89 spaces).

4) Trends in Full–Time and Part–Time Enrolment

In general, the trend over the last six years has been a gradual move away from full–time enrolment to part–time enrolment in facilities. Today, 59.8% of total enrolment is part–time and 40.2% is full–time, compared with 1980 figures of 57.8% part–time enrolment and 42.2% full–time enrolment. (See Table 11)

Part–time enrolment grew by 48.8% and full–time enrolment grew by 37.3% over this period. (See Table 11) While all sectors of the market reflect this trend, there are differences between sectors in terms of rates of change. Furthermore, changes in full–time enrolment have been quite different between sectors over time.

a) Total Enrolment

Developments in total enrolment parallel the changes observed in capacity. The fastest growing sector was the not–for–profit which saw an increase in total enrolment between 1980 and 1986 of 71.4%, from 23,564 to 40,386. This resulted in an increase of 6.6% in the market share for this sector, from 34.7% in 1980 to 41.4% in 1986. (See Table 12)

The private–for–profit sector experienced an increase in total enrolment between 1980 and 1986 of 48.7%, from 29,513 to 43,883. This resulted in an increase of 1.5% in market share, from 43.5% in 1980 to 45.0% in 1986. (See Table 12)

Total enrolment in the public sector increased 6% between 1980 and 1986, from 8,826 to 9,357. As a result, market share declined 3.4%. (See Table 12)

The only decrease in total enrolment occurred in the category of individuals for an unincorporated group, declining from 5,912 in 1980 to 3,994 in 1986 (32.4%). Market share decreased 4.6%, from 8.7% in 1980 to 4.1% in 1986. (See Table 12)

b) Full-Time Enrolment

Full-time enrolment accounted for 32.7% of total enrolment in the private-not-for-profit sector in 1980 increasing 2.2% to 34.9% in 1986. (See Table 11)

The private-not-for-profit sector experienced the largest increase in the number of spaces offered to full-time clients, from 7,709 in 1980 to 14,078 in 1986, representing an 8.9% increase in market share. (See Table 13)

Full-time enrolment in the private-for-profit sector declined 3.1% from 45.8% in 1980 to 42.7% in 1986. (See Table 11)

The number of spaces licensed in the private-for-profit sector increased from 13,503 in 1980 to 18,727 in 1986. Market share increased 0.5%. (See Table 13)

Public sector full-time enrolment accounted for 67.2% of total enrolment in 1980 declining 7.0% to 60.2% in 1986. (See Table 11)

The public sector experienced a decrease in the number of spaces offered to full-time clients, from 5,932 in 1980 to 5,631 in 1986, representing a 6.4% decrease in market share. (See Table 13)

Within the individual for an unincorporated group category, full-time enrolment constituted 24.7% of total enrolment in 1980 decreasing 3.6% to 21.1% in 1986. (See Table 11)

A decrease in the number of full-time spaces occurred, from 1463 in 1980 to 844 in 1986 resulting in a 3.0% decrease in market share. (See Table 13)

c) Part-Time Enrolment

Part-time enrolment in the private-not-for-profit sector decreased from 67.3% of total enrolment in 1980 to 65.1% in 1986.

The private-not-for-profit sector experienced the largest increase in part-time spaces (10,453) representing a 4.7% increase in market share. (See Tables 11 and 13)

Part-time enrolment in the private-for-profit sector constituted 54.2% of total enrolment in 1980 increasing 3.1% to 57.3% in 1986. (See Table 11)

The number of part-time spaces in the private-for-profit sector increased by 9148 representing a 2.3% increase in market share. (See Tables 11 and 13)

Part-time enrolment in the public sector increased 7.0%, from 32.8% in 1980 to 39.8% in 1986. There was a small increase of 832 spaces over the period, representing a 1.0% decrease in share. (See Tables 11 and 13)

Part-time enrolment in the individual for an unincorporated group constituted 75.3% of total enrolment in 1980 increasing 3.6% to 78.9% in 1986. However, the number of part-time spaces decreased by 1299 representing a 5.9% decline in share. (See Tables 11 and 13)

5) Subsidized Children

The distribution of subsidized children is as follows (See Table 14):

- private-not-for-profit: constitutes 39.6% of total subsidized enrolment with 28.3% full-time and 11.4% part-time.

- private-for-profit: constitutes 31.6% of total subsidized enrolment with 28.3% full time and 3.3% part-time.

- public sector: constitutes 27.7% of total subsidized enrolment with 6.9% full–time and 20.8% part–time.

- individual for an unincorporated group: constitutes 1.0% of total subsidized enrolment with 0.5% full–time and 0.4% part–time.

6) Age Distribution

Of a total enrolment of 101,062, 63.8% (64,445) are preschool children, toddlers and infants. 39.9% (25,697) of these children are enrolled in the private–not–for–profit sector and 48.5% (31,270) are in the private–for–profit sector. (See Table 15)

36.2% (36,617) of enrolled children are 4 years old and older. 45.4% (16,608) of these children are enrolled in the private–not–for–profit sector and 38.5% (14,092) are in the private–for–profit sector. (See Table 15)

Licensed Day Nurseries, by Ownership Type - Number of Facilities, 1980 - 1986.

	PFP* number	% change	PNFP number	% change	PUBLIC number	% change	IUG(a) number	% change	TOTAL number	% change
Dec/80	658		644		164		159		1625	
Mar/81	728	10.60	602	-6.50	165	0.60	164	3.10	1659	2.10
Mar/82	774	6.30	699	16.10	168	1.80	157	-4.30	1767	6.50
Mar/83	786	1.60	787	12.60	168	0.00	163	3.80	1904	7.80
Mar/84	792	0.80	835	6.10	164	-2.40	140	-14.10	1931	1.40
Mar/85	839	5.90	890	6.60	165	0.60	127	-9.30	2021	4.70
Mar/86	879	4.80	942	5.80	173	4.80	112	-11.80	2111	4.50
Dec/86	920	4.70	1020	8.30	173	0.00	113	0.90	2226	5.40
Total % Change 1980-1986		39.80		58.40		5.50		-28.90		37.00
Total Change in # of Facilities		262		376		9		-46		601

*See Glossary of Terms for definitions of the following market sectors:
PFP - Private for Profit
PNFP - Private not-for-profit
Public - Municipal Corporation
IUG - Individual for an Unincoporated Group

Source: Compiled from Ministry of Community and Social Services, Day Nurseries Information System, Quarterly Reports, October and December 1986

Table 2

Licensed Day Nurseries - Market Share of Number of Facilities, by Ownership Type, 1980 - 1986

	PFPs		PNFP		PUBLIC		IUG	
	Market Share	% Change	Market Share	% Change	Market Share	% Change	Market Share	% Change
ec/80	40.5		39.6		10.1		9.8	
ar/81	43.9	8.4%	36.3	-8.3%	9.9	-2.0%	9.9	1.0%
ar/82	43.8	-0.2%	39.6	9.1%	9.5	-4.0%	8.9	-10.1%
ar/83	41.3	-5.7%	41.3	4.3%	8.8	-7.4%	8.6	-3.4%
ar/84	41.0	-0.7%	43.2	4.6%	8.5	-3.4%	7.3	-15.1%
ar/85	41.5	1.2%	44.0	1.9%	8.2	-3.5%	6.3	-13.7%
ar/86	41.6	0.2%	44.9	2.0%	8.2	0.0%	5.3	-15.9%
ec/86	41.3	-0.7%	45.8	2.0%	7.8	-4.9%	5.1	-3.8%
otal % hange 980-1986		2.0%		15.7%		-22.8%		-48.0%
otal Change n Market hare		0.8%		6.2%		-2.3%		-4.7%

See Glossary of terms for definitions of the following sectors of the market:
PFP - Private for profit
PNFP - Private not-for-profit
Public - Municipal Corporation
IUG - Individual for an Unincorporated Group

ource: Ministry of Community and Social Services, Day Nurseries Information Systems, Quarterly Reports, October 1986

TABLE 3

LICENSED DAY NURSERIES - EXPENDITURES, 1976/77 - 1986/87

	Regular Day Care (Ms)	Handicapped Day Care (Ms)	Total Day Care (Ms)	% Change	Total Day Care As % of Ministry Expenditures	Ministry of Community and Social Services Expenditures	Total Day Care Expenditure Constant $s (1981=100)	% Change
1976/77	25	4	29	-	2.8%	1,036	46,104,928.45	-
1977/78	30	5	35	20.7	3.1%	1,137	51,546,391.75	11.8
1978/79	33	5	38	8.6	3.1%	1,228	51,420,838.97	-0.2
1979/80	36	6	42	10.5	3.1%	1,345	52,044,609.66	1.2
1980/81	43	7	50	19.0	3.3%	1,528	56,242,969.62	8.1
1981/82	51	9	60	20.0	3.4%	1,772	60,000,000.00	6.7
1982/83	63	11	74	23.3	3.5%	2,125	66,787,003.61	11.3
1983/84	69	12	81	9.5	3.4%	2,403	69,112,627.98	3.5
1984/85	74	13	87	7.4	3.3%	2,604	71,136,549.46	2.9
1985/86	94	12	106	49.3	3.7%	2,872	83,333,333.33	17.1
1986/87	131	12	143	34.9	4.7%	3,066	108,006,042.20	29.6
Total % Change 1976/77 to 1986/87	424.0%	200.0%	393.1%		66.6%	195.9%		134.3%
Average Annual Change			20.32%					9.2%

Source: Compiled from Ontario, Ministry of Community and Social Services, Estimates - Briefing Books, 1978/79 - 1986/87 and Ontario, Ministry of Treasury and Economics, Public Accounts, 1977/78 - 1985-86.

Licensed Day Nurseries, by Ownership Type - Capacity (Number of Places), 1980 - 1986.

	PFP* number	% change	PNFP number	% change	PUBLIC number	% change	IUG(a) number	% change	TOTAL number	% change
Dec/80	26746		20926		7905		4769		60346	
Mar/81	28979	8.30	19698	-5.90	7993	1.10	4923	3.20	61593	2.10
Mar/82	29671	2.40	23021	16.90	8370	4.70	4491	-8.80	65553	6.40
Mar/83	31250	5.30	25652	11.40	8300	-0.80	4575	1.90	69777	6.40
Mar/84	31190	-0.20	27033	5.40	8128	-2.10	3933	-14.00	70284	0.70
Mar/85	33832	8.50	28837	6.70	8223	1.20	3392	-13.80	74284	5.70
Mar/86	35616	5.30	31036	7.60	8435	2.60	3131	-7.70	78218	5.30
Dec/86	37023	4.00	33686	8.50	8387	-0.60	3184	1.70	82280	6.00
Total % Change 1980-1986		38.40		61.00		6.10		-33.20		36.3%
Total Change in Capacity		10277		12760		482		-1585		21,934

*See Glossary of Terms for definitions of the following market sectors:
PFP - Private for Profit
PNFP - Private not-for-profit
Public - Municipal Corporation
IUG - Individual for an Unincoporated Group

Source: Compiled from Ministry of Community and Social Services, Day Nurseries Information System, Quarterly Reports, October and December 1986

Table 5

Licensed Day Nurseries - Market Share of Capacity, by Ownership Type, 1980-1986

	PFP		PNFP		PUBLIC		IUG	
	Market Share	% Change	Market Share	% Change	Market Share	% Change	Market Share	% Change
ec/80	44.3		34.7		13.1		7.9	
ar/81	47.0	6.1%	32.0	-7.8%	13.0	-0.8%	8.0	1.3%
ar/82	45.3	-3.6%	35.1	9.7%	12.8	-1.5%	6.9	-13.7%
ar/83	44.8	-1.1%	36.8	4.8%	11.9	-7.0%	6.6	-4.3%
ar/84	44.4	-0.9%	38.5	4.6%	11.6	-2.5%	5.6	-15.2%
ar/85	45.5	2.5%	38.8	0.8%	11.1	-4.3%	4.6	-17.9%
ar/86	45.5	0.0%	39.7	2.3%	10.8	-2.7%	4.0	-13.0%
ec/86	45.0	0.0%	40.9	3.0%	10.2	-5.6%	3.9	-2.5%
otal % hange 980-1986		2.7%		17.9%		-22.1%		-50.6%
otal Change n Market hare		0.7%		6.2%		-2.9%		-4.0%

ee Glossary of terms for definitions of the following sectors of the market:
PFP - Private for profit
PNFP - Private not-for-profit
Public - Municipal Corporation
IUG - Individual for an Unincorporated Group

ource: Ministry of Community and Social Services, Day Nurseries Information System, Quarterly Reports, October 1986

Table 6

Licensed Day Nurseries - Average Capacity of Facilities, by Ownership Type, 1980-1986

	PFP*		PNFP		PUBLIC		IUG		OVERALL	
	Average Capacity	% Change	Average Capacity	% Change	Average Capacity	% Change	Average Capacity	% Change	Average Capacity	% Change
ec/80	40.6		32.5		48.2		30.0		37.1	
ar/81	39.8	-2.0%	32.7	0.6%	48.4	0.4%	30.0	0.0%	37.1	0.0%
ar/82	38.3	-3.8%	32.9	0.6%	49.8	2.9%	28.6	-4.7%	37.1	0.0%
ar/83	39.8	3.9%	32.6	-0.9%	49.4	-0.8%	28.1	-1.7%	36.6	-1.3%
ar/84	39.4	-1.0%	32.4	-0.6%	49.6	0.4%	28.1	0.0%	36.4	-0.5%
ar/85	40.3	2.3%	32.4	0.0%	49.8	0.4%	26.7	-5.0%	36.8	1.1%
ar/86	40.5	0.5%	32.8	1.2%	48.8	-2.0%	28.0	4.9%	37.1	0.8%
ec/86	40.2	-0.6%	33.0	0.7%	48.5	-0.7%	28.2	0.6%	37.0	-0.4%
otal % ange 80-1986		-0.9%		1.6%		0.6%		-6.1%		-0.4%

See Glossary of terms for definitions of the following sectors of the market:
PFP - Private for profit
PNFP - Private not-for-profit
Public - Municipal Corporation
IUG - Individual for an Unincorporated Group

ource: Ministry of Community and Social Services, Day Nurseries Information System, Quarterly Reports, October 1986

Table 7

Licensed Day Nurseries - Distribution of Number of Facilities by Ownership Type and Facility Size, 1986

Licensed Capacity	Public	% of public total	PNFP	% of pnfp total	IUG	% of iug total	PFP	% of pfp total	Total Market	% of Total Market
0-14	2	1.2	41	4	1	0.9	19	2.1	63	2.8
15-29	28	16.2	481	47.2	79	69.9	372	40.4	960	43.1
30-44	40	23.1	272	26.7	18	15.9	215	23.4	545	24.5
45-59	56	32.4	119	11.7	8	7.1	147	16.0	330	14.8
60-89	39	22.5	81	7.9	5	4.4	114	12.4	239	10.7
90-119	7	4.0	20	2.0	1	0.9	30	3.3	58	2.6
120+	1	0.6	6	0.6	1	0.9	23	2.5	31	1.4
Total	173	100	1,020	100.1	173	100	920	100.1	2226	99.9

*See Glossary of Terms for definitions of this and the following market sectors:
PNFP - Public not-for-profit
IUG - Individual for an Unincorporated Group
PFP - Private for Profit

NOTE: Percentage figures show the share of different sized facilities within each market sector. For example, 2 of all the public sector's facilities are classed as having less than 15 spaces. Thus these 2 facilities represent 1.2% of the public sector's 173 facilities. These figures do not always sum to 100% due to rounding.

Source: Compiled from Ministry of Community and Social Services, Daycare Nurseries Information System, unpublished data, December 1986

Table 8

Licensed Day Nurseries - Distribution of Number of Facilities in Total Market, by Ownership Type, 1986

Licensed Capacity	Total Market	Public	% of Total Market	PNFP	% of Total Market	IUG	% of Total Market	PFP	% of Total Market
0-14	63	2	3.2	41	65.1	1	1.6	19	30.2
15-29	960	28	2.9	481	50.1	79	8.2	372	38.8
30-44	545	40	7.3	272	49.9	18	3.3	215	39.4
45-59	330	56	17.0	119	36.1	8	2.4	147	44.5
60-89	239	39	16.3	81	33.9	5	2.1	114	47.7
90-119	58	7	12.1	20	34.5	1	1.7	30	51.7
120+	31	1	3.2	6	19.4	1	3.2	23	74.2
Total	2,226	173	7.8	1,020	45.8	113	5.1	920	41.3

*See Glossary of Terms for definitions of this and the following market sectors:
PNFP - Public not-for-profit
IUG - Individual for an Unincorporated Group
PFP - Private for Profit

NOTE: Percentage figures show each market sector's share of different classifications of facilities, categorized by size. For example, 2 of all facilities with less than 15 spaces are operated in the public sector. Thus these 2 facilities represent 3.2% of all facilities in the market which have less than 15 spaces (of which there are 63). These figures do not always sum to 100% due to rounding.

Source: Compiled from Ministry of Community and Social Services, Day Nurseries Information System, unpublished data, December 1986

Table 9

Licensed Day Nurseries - Distribution of Total Capacity in Total Market, by Ownership Type, 1986

Licensed Capacity	Total Market	Public	% of Total Market	PNFP	% of Total Market	IUG	% of Total Market	PFP	% of Total Market
0-14	695	22	3.2	443	63.7	10	1.4	220	31.7
15-29	19,323	612	3.2	9,582	49.6	1,510	7.8	7,609	39.4
30-44	19,097	1,467	7.7	9,305	48.7	643	3.4	7,682	40.2
45-59	16,246	2,684	16.5	5,848	36.0	408	2.5	7,306	45.0
60-89	16,715	2,775	16.6	5,608	33.6	348	2.1	7,984	47.8
90-119	5,553	687	12.4	2,078	37.4	96	1.7	2,692	48.5
120+	4,651	140	3.0	812	17.5	169	3.6	3,530	75.9
Total	82,280	8,387	10.2	33,686	40.9	3,184	3.9	37,023	45.0

*See Glossary of Terms for definitions of this and the following market sectors:
PNFP - Public not-for-profit
IUG - Individual for an Unincorporated Group
PFP - Private for Profit

NOTE: Percentage figures show each market sector's share of the total number of spaces offered in facilities of different size size classifications. For example, 22 of all spaces which are provided in facilities with less than 15 spaces are operated in the public sector. Thus these 22 spaces represent 3.2% of all spaces offered in this size of facility. There is a total of 695 spaces provided in these smallest facilities in the market.
These figures do not always sum to 100% due to rounding.

Source: Compiled from Ministry of Community and Social Services, Day Nurseries Information System, unpublished data, December 1986

Table 10

Licensed Day Nurseries - Distribution of Total Capacity by Ownership Type and Facility Size, 1986

Licensed Capacity	Public	% of public total	PNFP	% of pnfp total	IUG	% of iug total	PFP	% of pfp total	Total	% of Total
0-14	22	0.3	443	1.3	10	0.3	220	0.6	695	0.8
15-29	612	7.3	9,582	28.4	1,510	47.4	7,609	20.6	19,323	23.5
30-44	1,467	17.5	9,305	27.6	643	20.2	7,682	20.7	19,097	23.2
45-59	2,684	32.0	5,848	17.4	408	12.8	7,306	19.7	16,246	19.7
60-89	2,775	33.1	5,608	16.6	348	10.9	7,984	21.6	16,715	20.3
90-119	687	8.2	2,078	6.2	96	3.0	2,692	7.3	5,553	6.7
120+	140	1.7	812	2.4	169	5.3	3,530	9.5	4,651	5.7
Total	8,387	100.1	33,686	99.9	3,184	99.9	37,023	100.0	82,280	99.9

*See Glossary of Terms for definitions of this and the following market sectors:
PNFP - Public not-for-profit
IUG - Individual for an Unincorporated Group
PFP - Private for Profit

NOTE: Percentage figures show the share of spaces provided in different sized facilities within each market sector. For example, 22 of all the spaces provided by the public sector are in facilities which have less than 15 spaces. Thus these 22 spaces represent 0.3% of all the spaces provided in public sector facilities.
The public sector provides a total of 8,387 spaces. These figures do not always sum to 100% due to rounding.

Source: Compiled from Ministry of Community and Social Services, Daycare Nurseries Information System, unpublished data, December 1986

Table 11

Licensed Day Nurseries - Proportion of Operation Serving Full-Time & Part-Time Enrolment, by Ownership Type*, 1980 and 1986

	Total Enrolment	Full-Time Enrolment	As % of Total	Part-Time Enrolment	As % of Total
PFP					
1980	29,513	13,503	45.8%	16,010	54.2%
1986	43,883	18,727	42.7%	25,158	57.3%
% Change 1980-86	48.7%	38.7%	-3.1%	57.1%	3.1%
IUG					
1980	5,912	1,463	24.7%	4,449	75.3%
1986	3,994	844	21.1%	3,150	78.9%
% Change 1980-86	-32.4%	-42.3%	-3.6%	-29.2%	3.6%
PNFP					
1980	23,564	7,709	32.7%	15,855	67.3%
1986	40,386	14,078	34.9%	26,308	65.1%
% Change 1980-86	71.4%	82.6%	2.2%	65.9%	-2.2%
Public					
1980	8,826	5,932	67.2%	2,894	32.8%
1986	9,357	5,631	60.2%	3,726	39.8%
% Change 1980-86	6.0%	-5.1%	-7.0%	28.7%	7.0%
ALL OWNERSHIP TYPES					
1980	67,815	28,607	42.2%	39,208	57.8%
1986	97,622	39,280	40.2%	58,342	59.8%
% Change 1980-86	44.0%	37.3%	-1.9%	48.8%	2.0%

*See Glossary of Terms for definitions of the following sectors of the market:
PFP - Private for profit
IUG - Individual for an Unincorporated group
PNFP - Private not-for-profit

Source: Compiled from Ministry of Community and Social Services, Day Nurseries Information System, unpublished data, December 1986

Table 12

Licensed Day Nurseries - Changes in Total Enrolment, by Ownership Type, 1980 and 1986

	Total Enrolment 1980	Market Share (in %)	Total Enrolment 1986	Market Share (in %)	% Change in Enrolment 1980-86	% Change in Market Share 1980-86
PFP*	29,513	43.5%	43,883	45.0%	48.7%	1.5%
IUG	5,912	8.7%	3,994	4.1%	-32.4%	-4.6%
PNFP	23,564	34.7%	40,386	41.4%	71.4%	6.6%
Public	8,826	13.0%	9,357	9.6%	6.0%	-3.4%
GLOBAL ENROLMENT FIGURES	67,815		97,620		44.0%	

*See Glossary of Terms for definitions of the following sectors of the market:
PFP - Private for profit
IUG - Individual for an Unincorporated Group
PNFP - Private not-for-profit

Source: Compiled from Day Nurseries Information System, unpublished data, October 1986 and July 1986.

Licensed Day Nurseries - Full-Time and Part-Time Centre Enrolment, Share of Market, By Ownership Type, 1980 and 1986

	Full-Time Enrolment		As % of All Full-Time Enrolment		Part-Time Enrolment		As % of All Part-Time Enrolment		Total Enrolment	
	1980	1986	1980	1986	1980	1986	1980	1986	1980	1986
PFP*	13,503	18,727	47.2%	47.7%	16,010	25,158	40.8%	43.1%	29,513	43,885
IUG	1,463	844	5.1%	2.1%	4,449	3,150	11.3%	5.4%	5,912	3,994
PNFP	7,709	14,078	26.9%	35.8%	15,855	26,308	40.4%	45.1%	23,564	40,386
PUBLIC	5,932	5,631	20.7%	14.3%	2,894	3,726	7.4%	6.4%	8,826	9,357
			As % of Total Enrolment				As % of Total Enrolment			
TOTAL	28,607	39,280	42.2%	40.2%	39,208	58,342	57.8%	59.8%	67,815	97,622

Changes in Full- and Part-Time Enrolment, and Market Share, By Ownership Type, 1980-1986

	FULL-TIME ENROLMENT		PART-TIME ENROLMENT		TOTAL ENROLMENT
	% Change 1980-1986	Change in Market Share 1980-86	% Change 1980-1986	Change in Market Share 1980-86	% Change 1980-1986
PFP	38.7%	0.5%	57.1%	2.3%	48.7%
IUG	-42.3%	-3.0%	-29.2%	-5.9%	-32.4%
PNFP	82.6%	8.9%	65.9%	4.7%	71.4%
PUBLIC	-5.1%	-6.4%	28.7%	-1.0%	6.0%
Total Change	37.3%	-2.0%	48.8%	2.0%	44.0%

*See Glossary of Terms for definitions of the following market sectors:
PFP - Private for Profit
IUG - Individual for an Unincorporated Group
PNFP - Private not-for-profit
Public - Municipal Corporation

Source: Compiled from Day Nurseries Information System, unpublished data, October 1980 and July 1986.

TABLE 14

SUBSIDIZED CHILDREN IN FULL-TIME AND PART-TIME ENROLMENT 1986

Operator Type	Total Subsidized Enrolment	% Change	Full-Time Enrolment	%of Total	Part-Time Enrolment	% of Total
Not-for-Profit						
Approved Charitable Handicapped:	633	3.5	211	1.2	422	2.4
Charitable Corporation:	4,380	24.5	3,551	19.9	829	4.6
Approved Charitable:	1,564	8.8	999	5.6	565	3.2
Indian Band:	496	2.8	288	1.6	208	1.2
TOTAL PNFP:	7,073	39.6	5,049	28.3	2,024	11.4
For-Profit Non-Charitable:	4,381	24.5	3,963	22.2	418	
Private Individual:	1,276	7.1	1,096	6.1	180	1.0
TOTAL PFP:	5,657	31.6	5,059	28.3	598	3.3
Public						
Municipal Corporation:	4,951	27.7	1,225	6.9	3,726	20.8
TOTAL:	4,951	27.7	1,225	6.9	3,726	20.8
Other						
Individual For An Unincorporated Group:	175	1.0	98	0.5	77	0.4
TOTAL:	175	1.0	98	0.5	77	0.4
GRAND TOTAL:	17,856	100.0	11,431	64.0	6,425	35.9

Source: Compiled from Day Nurseries Information System, unpublished data, July 1986.

TABLE 15
AGE DISTRIBUTION OF CHILDREN 1986

Operator Type	Total	% of total Enrolment	Infant	%	Toddlers	%	Pre-School	%	4 Yrs	%	5 Yrs	%	School Age	%	10	Over %
Not-For-Profit																
Approved Charitable Corporation	6,075	6.0	113	5.8	493	6.9	2,963	5.4	976	5.5	428	5.0	1,061	10.3	41	33.9
Approved Charitable Handicapped	887	0.9	16	0.8	69	0.9	422	0.8	174	1.0	106	1.2	43	.4	57	47.1
Charitable Corporation	34,382	34.0	527	27.3	1,929	26.8	18,648	33.7	5,265	29.7	2,275	26.7	5,732	55.9	6	4.9
Indian Band	941	0.9	20	1.0	58	.8	419	0.8	253	1.4	149	1.8	42	.4	---	---
TOTAL	42,285	41.8	676	34.9	2,549	35.5	22,472	40.6	6,668	37.6	2,958	34.8	6,878	67.1	104	85.9
For-Profit																
Non-Charitable	26,023	25.7	849	43.9	2,558	35.6	14,455	26.1	4,296	24.2	2,289	26.9	1,562	15.2	14	11.6
Private Individual	19,339	19.1	275	14.2	1,208	16.8	11,925	21.6	3,854	21.7	1,534	18.0	541	5.3	2	1.7
TOTAL:	45,362	44.8	1,124	58.2	3,766	52.4	26,380	47.7	8,150	45.9	3,823	44.9	2,103	20.5	16	13.3
Public																
TOTAL:	9,295	9.2	90	4.7	683	9.5	3,964	7.2	1,879	10.6	1,459	7.1	1,219	11.9	1	.8
Other TOTAL:	4,120	4.1	42	2.2	190	2.7	2,529	4.6	1,036	5.8	270	3.2	53	.5	0	0
GRAND TOTAL:	101,062		1,932	1.9	7,188	7.1	55,325	54.7	17,733	17.5	8,510	8.4	10,253	10.1	121	.12
				of total		of total		of total		of total		of total		of total		of total

Source: Compiled from Day Nurseries Information System, unpublished data, July 1986.

5) FAMILY HOME PROGRAM

Ministry Division: Community Services

Legislation: Developmental Services Act

Clientele: developmentally handicapped living in the community

Program Description: host families provide room and board, appropriate supervision and arrange for other services if required.

Number of Facilities

There are 99 homes operated by 16 family home agencies. The family home agencies are all not-for-profit. The 99 homes are private dwellings in which the care giver is paid a daily rate. The Committee wishes to reiterate its earlier caution; although this program is classified in Category IV (greater than 40%), the participation of operators in this program may not necessarily be motivated by profit-making considerations.

Methods of Approval and/or Accreditation

The Ministry of Community and Social Services contracts service to family home agencies which in turn enter into a service arrangement with host families.

The family home agency approves a 6 month trial period for the host home. Guidelines as outlined in the Family Home Handbook and Family Home Program for the Developmentally Handicapped Persons - Agency Guidelines must be followed in order for the home to receive approval.

Inspections

The home must be accessible at all times for visitation by Ministry or home agency staff. An annual re-approval is granted if the written review by the agency indicates all ministry requirements are being met, local municipal fire and safety regulations are being met, ministry staff are satisfied with the competency of the supervisor and any complaints against the home have been reviewed and resolved.

Accountability

The family home agency is required to maintain files on clients and host homes. These files along with financial statements must be available to the Ministry of Community and Social Services on reasonable notice. The agency can terminate a service agreement with a home at any time for non-compliance.

Funding

The Ministry of Community and Social Services pays each home $18.00 a day per client.

Charges

The home may charge room and board which is paid by the client through his or her income (usually a GAINS-D allowance)

Service Statistics

At present, there are 136 clients in the program. A family home is not allowed to have more than 3 clients .

6) TRI-MINISTRY SERVICES

Ministry Division: Community Services

Legislation: Developmental Services Act

Clientele: Developmentally handicapped living in nursing homes and homes for special care funded by the Ministry of Health.

Program Description: Services are provided to developmentally handicapped in nursing homes and homes for special care. Services provided include physiotherapy, professional assessments, day programs, workshops, life skills training.

The Tri-Ministry programs are under the jurisdiction of the Ministry of Community and Social Services but the facilities in which the clients live are under the jurisdiction of the Ministry of Health.

Number of Providers

Total:	?
Public Sector:	?
Private-not-for-profit:	75 community agencies providing service
Private-for-profit:	14 contracts, including 12 with nursing homes operators and 1 with a service management and consulting group. 7 nursing homes provide Tri-Ministry services directly to their residents. (See Table 1)

Methods of Approval and/or Accreditation

The Ministry of Community and Social Services purchases directly from the service provider on behalf of the client. Therefore, all service providers and contracts must be approved by the Ministry.

Inspections

There is no formal inspection process of the specific programs. See accountability. (There is an inspection process for the facilities in which the program residents reside).

Accountability

Quarterly financial reports are required and a year–end audited statement. Development of legal agreements with for–profit–operators if funds are required in advance of service. Ministry of Community and Social Services area office managers monitor the progress of client. (At present, a Tri–Ministry policy and procedures manual is being developed).

Expenditures

Total:	$9,216,500
Public Sector:	0
Private–not–for–profit:	$7,356,500 (79.8%)
Private–for–profit:	$1,860,000 (20.2%)

Expenditures for 1984/85 were $7,938,500. and for 1985/86 were $9,216,500 which represents a 16 % increase. Approximately 80% of expenditures are in the private–not–for–profit sector.

Funding

The per diems paid to nursing homes and homes for special care do not include funding for programs for the developmentally handicapped residing in those homes. Therefore, the Ministry of Community and Social Services funds services on a program–by–program basis for these individuals.

Service Statistics

Number of residents:

# of developmentally handicapped in Homes for Special Care	– 3138
# in Nursing Home Homes for Special Care	– 2714
# in Residential Homes for Special Care	– 424
# of clients receiving Tri–Ministry services	– 2066 (65.8% of all handicapped in homes)
# served by for–profit agencies	– 850 (41.1%)

Types of Programs – individual program plans – 1487
– service co–ordination – 1409

The Ministry of Community and Social Services states that the number of residents in each home receiving Tri–Ministry Services and similar service statistics prior to 1985 are not available.

Table 1

Nursing Homes Providing Tri-Ministry Services Directly 1986

Extendicare – 2 homes in Sudbury

Kirkland Lake – Kirkland Lake

Lakewood Nursing Home – Huntsville

Beacon Hill Lodge – Thunder Bay

Bethani Nursing Home – Thunder Bay

Woodland Villa – Cornwall

Carewell Nursing Home – North York

Source: Ministry of Community and Social Services, unpublished data, December, 1986

CATEGORY V – FOR–PROFIT ACTIVITY UNCLEAR

Programs included in this category are those programs for which data on service providers is not clear. Therefore, it is not possible to classify the amount of for–profit activity occurring within these service areas.

1) COMMUNITY–BASED SUPPORT SERVICES – DEVELOPMENTALLY HANDICAPPED

Ministry Division: Community Services

Legislation: Developmental Services Act

Clientele: Developmentally handicapped living in the community

Program Description: Community–support programs – case management, infant stimulation, respite care, living skills, psychological assessment, transportation services.

Number of Programs

Total:	47	infant stimulation programs
(84/85)	42	programs for adult support
	21	behavioural management programs

Figures for total number of providers are unavailable. Funding is provided to Ministry funded Schedule I and II facilities and not–for–profit agencies. The Developmental Services Act does allow for purchase of service from for–profit providers. However, this is generally restricted to psychological assessment and transportation services. The Ministry states that information on for–profit providers is not available for the years 1976 to 1986.

Information was available on those not–for–profit agencies purchasing service from for–profit agencies or individuals. The Ministry of Community and Social Services has stated that "in all cases this is done because of the lack of any suitable alternative."

Those agencies are:

1) Gananoque A.R.C. purchases transportation for clients to and from a workshop from a private bus company for $23,000 a year. The contract has been in place for the last 9 years as there is no other option available.

2) Carleton Place A.R.C. purchases transportation for clients to and from a workshop from a private bus company for $24,000 a year. Details were not provided on the length of the contract other than "in place for many years."

3) Lanark Infant Centre purchases services from a private psychologist to administer Bayley Infant Assessment. The service is used as needed. Details were not provided on the contract amount or length.

Methods of Approval and/or Accreditation

Schedule I and II facilities and not-for-profit agencies choose programs based on need. Ministry of Community and Social Services area office staff approve all expenditures.

Inspections

There are no formal inspections. Monitoring of programs is undertaken by Ministry supervisors.

Accountability

An annual rate setting process allows for a review of operating expenditures.

Expenditures

$194,400,000 - this figures includes other support programs for the developmentally handicapped such as Family Home Program, Group Homes, Approved Homes, Special Needs and Services.

Funding

Schedule I and II facilities are funded on a global basis and community-based support programs are funded through them.

2) SPECIAL NEEDS AND SERVICES (SNS) – Phase 1

Ministry Division: Community Services Division

Legislation: The Child and Family Services Act

Clientele: Developmentally handicapped children under 18 already in residential care facilities.

Program Description: Additional funding is provided through SNS to purchase services over and above basic care such as parent relief, infant stimulation, specialized nursing care.

Methods of Approval and/or Accreditation

There must be a signed agreement between the Ministry of Community and Social Services and the parents and a signed agreement between the parents and the service providers.

Inspections

There are no formal inspections. Supervision is provided by Ministry program supervisors.

Accountability

Under the Child and Family Services Act, the Minister may grant approved agency status to a service provider. If a service provider is granted approved agency status, they must comply with regulations specifying the type and frequency of reports and with a financial accountability reporting process. Although it is not specified in the Act, the Ministry does not grant approved agency status to for–profit service providers.

If the service provider does not have approved agency status, the Ministry is not able to request reconciliation statements. Annual estimates of costs of services may be requested as well as audited financial statements.

The Ministry Administration Manual sets out guidelines for purchase of service arrangements with for–profit providers.

All service providers must comply with the Special Needs and Services Program Manual which outlines program eligibility, requires documentation of Special Needs Agreement and describes the review procedure.

Funding

The entire program is cost-shared with the federal government under the Canada Assistance Plan. The Ministry of Community and Social Services funds on a program by program basis.

Charges

Parents of children enrolled in the program are required to contribute towards the cost of care. At the time of admission, parents are required to sign an Income Test and Agreement for Payment form that outlines payments. Payment is usually a monthly amount depending on gross family income and family size. Parents are allowed a monthly deductible for out-of-pocket expenses on behalf of the child. Payment is not required if a child is referred by a court for a short term assessment.

Service Statistics

# of Children – 2,500 (84/85)

3) VOCATIONAL REHABILITATION SERVICES (VRS)

Ministry Division: Community Services

Legislation: Vocational Rehabilitation Act

Clientele: disabled employable adults

Program Description: Program assists disabled individuals in obtaining and maintaining employment. Services provided include medical equipment, home and workplace modifications, psychological and vocational assessments, transportation, employer training, specialized health and dental care, attendant care, interpretor services.

Number of Providers

The Ministry of Community and Social Services provides direct service to clients though purchase of service on behalf of the client. Purchase of service from for-profit agencies is allowed. The Ministry reports that numbers on for-profit providers are not available "as statistics can not be compiled on short notice as this would require a complete file search." The Ministry notes that "it could not provide the program without utilization of for-profit operators as many not-for-profit operators neither provide the service or have the clinical expertise."

Methods of Approval and/or Accreditation

As the Ministry purchases services directly from the provider, it approves all providers that are used. A list has been provided of for-profit providers being used by the program. (See Appendix A)

Inspections

There are no formal inspections but Ministry staff monitor programs on a regular basis.

Accountability

The Vocational Rehabilitation Program Manual outlines guidelines for monthly statistical reports, financial arrangements with clients and reporting procedures. Files must be available for audit under the Canada Assistance Plan.

Expenditures

$19,484,000

Funding

The Ministry of Community and Social Services funds on a program by program basis. The entire program is cost shared with the federal government under the Canada Assistance Plan. Most clients are also entitled to a maintenance allowance under the Family Benefits Act.

Service Statistics

# of Persons Served – 13,832

# of Workshops – developmentally handicapped – 132
serving – 7,154 people

– other disability – 38
serving – 2,634 people

# of Persons Served in Training Programs:

pre-vocational	984	(31.1%)
post secondary	535	(17.0%)
skill training	167	(5.3%)
university	269	(8.5%)
employer train.	404	(12.8%)
upgrading	445	(14.1%)
private school	355	(11.2%)
TOTAL	3,159	(100.0%)

a. Purchase of medical equipment and supplies:

Therapy Supplies

Doncaster Medical Equipment

Obus Forms

A. G. Neale

Electro-Therapeutic Devices Inc.

ordinary drugstores

b. Purchase of modifications to work places, homes, vehicles:

Galbraith Construction

Crecco Freedom Mobility

Gerrits Contractors

Blisset Barrier Free design and Construction

Robertson Custom Aids

Tom Anderson - Contractor

c. Purchase of Equipment to help the client to offset the effects of his/her disability:

Therapy Supplies

Doncaster Medical

Motion Specialities

I.B.M.

Apple

Beta Comm - Computer Equipment

Mid Canada Medical

Scarboro Business Machines

Hakim Optical

Budget Optical

d. Purchase of psychological assessments

private psychologists and neuropsychologists

e. Purchase of educational assessments and training

Education Consultants

Toronto Learning Centre

Village Learning Centre

Bleiweiss Centre for Learning

Mandelcorn Clinic

Read Clinic

f. Purchase of vocational assessments and training

Shaw Colleges

Computer Lab for the Disabled

General Welding School

Marvel Beauty School

Visage School of Cosmetic Artistry

Bruno's Hairdressing School

Toronto Barber School

Toronto School of hairstyling

Academy of Design

Radio College Canada

Herzing Institute of Canada

DeVry Institute

Control Data Institute

Honeywell

New Skills Vocational school

Career Canada

g. Purchase of transportation

Phiacs

h. Purchase of specialized placement information and services

Rehabilitation Services of Canada

Technical Services Council

i. Purchase of employer training

A variety of employers in a variety of business and trades.

j. Purchase of specialized health services - training

Behavioral Health Inc.

4) CONTRACT GROUP HOMES – YOUNG OFFENDERS ACT

Ministry Division: Community Services

Legislation: Young Offenders Act (federal), Child and Family Services Act

Clientele: young offenders

Program Description: Residential care for young offenders

Number of Facilities

Total:	8	secure custody homes
	9	contract group homes
	34	detention homes
	72	probation foster homes
	89	open custody foster homes

(A list of all homes has been provided but type of ownership has not been identified.)

Methods of Approval and/or Accreditation

Homes are approved by Ministry of Community and Social Services supervisors. All homes are licensed under the Child and Family Services Act.

Inspections

Annual inspections to cover staffing, administration, residents, education of residents, maintenance, security, laundry, community involvement as outlined in the Ministry's Custody Manual. Inspections involve on-site visits and a regulation-by-regulation audit.

Accountability

Under Part IX of the Child and Family Services Act, the operator must provide verified financial statements, staff time forms, residents' reports, program changes.

Funding

The Ministry of Community and Social Services purchases services directly from the operator on a per diem basis. Per diems are set according to the type of service being provided.

Service Statistics

# of Beds
- 473 secure custody
- 51 contract group
- 322 detention
- 288 probation foster*
- 238 open custody foster

*Probation foster group homes are not licensed by capacity but by beds. They are allowed a maximum of 4 beds but as the residents move in and out fairly quickly, the Ministry is not able to provide an accurate count on the number of residents in the program. The maximum would be 288.

FUTURE ACTIVITIES OF THE COMMITTEE

The Committee has now finished the first phase of its deliberations.

On the basis of its review of the limited statistical information available and a recognition of the concerns of the public with certain program areas, the Committee has decided to hold two sets of public hearings. The first, to commence March 23, 1987 will examine child care and the contracting out of hospital management services. At a later date, a second set of hearings will examine care provided to the elderly, including nursing homes, homes for the aged, and home care.

The Committee chose the three areas on which to focus because, in the case of child care, nursing homes and home care, the results in Section 2 indicate that for-profit activity is significant and has played an important role for some time, servicing a large clientele.

The Committee chose hospital contract management as an area of focus because it was identified as an area in which emerging trends were evident and for which little or no data are currently available.

During the next six months, the Committee will undertake a review of issues and evidence on commercialization available from existing research studies from presentations during public hearings.

The Committee expects that a final report will be issued in August of 1987.

ISBN-0-7729-2318-3